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THE ROYAL COMMISSION ON METROPOLITAN DEVELOPMENT OF EDMONTON AND CALGARY

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PROCEEDINGS

DATE 15th October 1954

VOLUME 4

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The Court House
EDMONTON - ALBERTA

SUPREME COURT REPORTERS, EDMONTON

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THE SITTINGS OF THE ROYAL COMMISSION ON METROPOLITAN DEVELOPMENT OF CALGARY AND EDMONTON, held at the Court House, Edmonton, Alberta, commencing Friday, the 15th day of October, A.D. 1954, at ten a.m.

THE CHAIRMAN: Mr. Scott, as I recall it, you were not present yesterday afternoon, were you?

MR. SCOTT: No, sir.

THE CHAIRMAN: That is correct. Then perhaps you are not aware that we decided to have representations of School Boards at this afternoon's session, commencing at two with the Public School Board of the City of Edmonton, followed by the Separate School Board, followed by the Town of Beverly. Is that convenient for you?

MR. SCOTT: Yes, thank you very much.

THE CHAIRMAN: Now, we will resume the cross-examination of Mr. Moffat, if any.

ROBERT E. MOFFAT, having been recalled to the stand on his former oath, examined by Mr. McKenzie, testified as follows:

THE CHAIRMAN: We seem to be a bit early for the solicitors, are you prepared to carry on?

MR. McKENZIE: Yes.

THE CHAIRMAN: All right, Mr. Moffat.

Q MR. McKENZIE: In the Edmonton brief, Mr. Moffat, one of your statements is: "It is clear that

Q (Cont.) uniform assessment -- " .

A Pardon me, at page -- ?

Q Thirteen, towards the top of the page, you say there:

"It is clear that uniform assessments would be required as quickly as they could be prepared."

And I believe in your evidence a day or two ago that you pointed out that Jasper Place was probably a little bit over-assessed in relation to Edmonton; I wonder if just in general terms you could forecast what the result of uniform assessments would be over the area with particular reference, say, to Strathcona?

A The Strathcona situation is fairly complicated because the assessment there relates, relies so heavily on the assessment of about four or five or six individual plants. The City Assessor has expressed the opinion to me personally that he thinks his assessment would not be terribly far different from the present assessments, but that is purely on the basis of opinion and there have been some discussions between him and the Strathcona assessor but they have come to nothing concrete at this stage. We were wondering, as a matter of fact, whether it might be a good idea for the Commission to direct or for some arrangements to be made for those two to get together, but nothing definite has been done about it so far as I know.

THE CHAIRMAN: Mr. Moffat, excuse me. Dr. Mayo undertook to prepare, if you may remember, yesterday afternoon --

A Yes.

THE CHAIRMAN: -- a memorandum or form of questionnaire.

A Yes.

THE CHAIRMAN: I would like to ask Dr. Mayo if what he has done would have a bearing on what you are just saying?

DR. MAYO: Yes, sir, it would in this way, in this little memorandum, which is strictly not, of course, a questionnaire, but a little set of instructions to the municipality and school authorities presenting briefs, one of the items goes like this:

> "The proposals of the City of Edmonton are far-reaching and the fullest support in detail is required. The enlarged boundary recommended by the City should be agreed upon."

That is to say, agreed upon by the City as a boundary, so that when they are talking about a boundary it will be that.

> "And based upon it there should be both estimates of probable costs including in these estimates of revenues, the cost of extending city utilities, and the school services to the areas suggested; estimates of the probable effect upon public debt and upon capital requirements ought also to be given."

Now, this is coming right to the point, the next item:

> "The providing of such estimates by the City requires full co-operation from local auth-

DR. MAYO: (Cont.)

"orities affected, and this co-operation must be forthcoming."

And that has particular reference to co-operation from Strathcona in preparing any estimates.

A Now, on the specific question of the assessments, there is the question of dividing out of the present Strathcona assessments, the part that falls out of this area, and that can be done, I think, in line with that kind of a suggestion there, but the second question, what would happen to those assessments if they were moved over on to the City's method of approach, and the only practical suggestion we have to offer on that is that the assessor for Strathcona and the assessor for the City should get together and come up, and it may be jointly, they would present to the Commission their conclusions as to what would happen to those assessments.

Q MR. McKENZIE: Dr. McNally, I feel that that would be most useful information to have because as I understand municipal assessments, you start out, in the case of land, for instance, with a base rate of approximately $30.00 per acre irrespective of whether it is agricultural or industrial, and I think the City approach to the valuation of land is quite different and there may be other technical differences, technical differences in the assessment throughout which might greatly increase or greatly reduce, either greatly increase or greatly reduce the assessments, and I think that the getting together

Q (Cont.)

of these two technical experts would be of very great value if some forecast of what would be likely to happen could be arrived at.

THE CHAIRMAN: Does that conclude your examination?

MR. McKENZIE: Well, no, sir, I think Edmonton was wondering whether there would be some direction from the Commission that this should be done.

THE CHAIRMAN: Yes.

A I don't know as we need particularly a direction as long as it is a clear understanding that it should be done that way, I think that is all we would need.

THE CHAIRMAN: Yes.

A I know Mr. McDonald, the City Assessor, is expecting a request like this, we had a fairly thorough discussion of it last night, and if the request didn't come, we were going to promote the request before very long.

THE CHAIRMAN: Well, it has come now and you can promote the preparation.

MR. ROBISON: Then, is it not necessary now in that case, Mr. McKenzie, to have some outline of the boundaries involved?

MR. McKENZIE: Well, the boundaries, I think, would be coming from Mr. Mayo's suggested questionnaire. This relates merely in the case of one assessable parcel, whether the City's method of assessment would result in a higher or lower assessment for that particular parcel.

THE CHAIRMAN: Yes.

MR. McKENZIE: And if the two assessors got together and compared their methods then we might have some forecast as to the results.

A Now, on the question of boundaries, I wonder if I could not add just a little bit on that one. I had suggestions going all the way out as far as proposing that Fort Saskatchewan and Devon should be taken in and that the proposed new Campbellton Town Site should be taken in. On the other hand, we have proposals that it should be restricted right down to the present boundaries of the City. There are proposals all the way in between. I don't think it would be quite satisfactory to leave that on the basis that the City should take the sole responsibility of specifying. I would like if we could to have some direction as to how far out the boundary should go. Our suggestion the other day as a basis for starting discussions was the outline general plan boundaries. Since that, I have had occasion to look at some of the population increase figures and practices of that sort, and I am realizing more and more how quickly that inside area is going to be filled up, the way things are going, and without committing anybody in particular, I don't think it would be wise, I think it would be wise to have a more thorough discussion of where those boundaries should be before anyone attempts to put them right down on paper.

MR. ROBISON: What about the material presented by Mr. Gertler?

A Yes, that is what I was thinking of particularly.

MR. DAVIES: Mr. Moffat, just for the purpose of pinpointing it a bit, there is a paved highway links Highway 16 with what I will call the Cooking Lake road, I don't know what the number of that is.

A 14.

MR. DAVIES: Do you know the road I am referring to?

A No, I don't offhand, how far to the east would that be? Oh, yes, yes.

MR. DAVIES: That paved highway that joins, comes up from the chemical plant and goes straight east.

A Yes.

MR. DAVIES: And then instead of turning west to go towards the Interprovincial Pipeline and Imperial Oil and the McColl-Frontenac properties, it goes east?

A Yes.

MR. DAVIES: Now, that paved highway there, is that within the green belt, does the green belt go beyond that?

A Yes, the green belt which is as marked on this map that I have here goes one mile and a half east of the tank farm which would take it east of that highway, yes.

MR. DAVIES: And there was a new school or some substantial school additions made by the Clover Bar School Division in that area; now, is that new school within the green belt?

A That is farther south, it is right on the corner.

MR. DAVIES: As I understand it, the Campbellton townsite, proposed townsite, is right near where that

MR.DAVIES: (Cont.)

new school is?

MR. HAWKINS: Two miles east.

MR. DAVIES: Oh, it's two miles east of there?

A Yes.

MR. DAVIES: Was this or is this, this new West Salisbury High School which is referred to in the brief of the Clover Bar School Division, would that new school be within what your idea was, Mr. Moffat, of the initial proposed boundaries you have discussed the first time you appeared?

A I am not sure just where that location is, that would be inside, would it -- yes. They tell me that would be inside the boundary. Now, I think I made it clear before that this was not a proposal that had been worked out in detail, it was just as a basis for discussion, so those kind of things would have to be looked at very carefully.

MR. DAVIES: One other question, would that mean that the proposed Campbellton townsite would be just outside?

A Approximately two miles outside, yes.

MR. DAVIES: Approximately two miles outside?

A Yes, the closest corner they tell me would be half a mile outside and then it would extend on out from there.

Now, as I say, I have had suggestions all the way from the Namao Airport in this direction to Fort Saskatchewan and the Town of Devon. And down the other way --

MR. DAVIES: Can I ask one other question, Mr. Moffat?

MR. DAVIES: (Cont.)

As matters are at present if there are fairly substantial areas of farm lands, as I take it there are at present within the boundaries of the City of Edmonton, what is the basis of the assessment of the City of Edmonton on farm lands at present, on land that is occupied for farming purposes?

A There is very little left in the City now, and the arrangement up until fairly recently was a fixed mill rate lower than the general mill rate on what they called the outer "ring", I believe was the word, but that was eliminated some years ago and now they come under regular mill rate except the land assessment is based on the agricultural purposes in giving a lower assessment per acre rather than on a subdivided basis.

MR. DAVIES: Could you tell us if that produces about the same tax on a quarter section of land used for farm purposes as does the present basis of assessment in the M. D. of Strathcona?

A Well, there is, as far as I am aware, nothing approaching a quarter section unit within the City limits at this stage; there are one or two sections along on the north side, we would have to ask the assessor to get some details.

MR. DAVIES: Then it is correct to assume then, that on land adjoining a piece of land, let us say that is occupied for farming purposes, and is used for heavy industry, that the City bases their assessment on the land rather differently than on the farm

MR. DAVIES: (Cont.)

occupancies within the City boundaries?

A Not particularly now, but the suggestion in the brief was that that would have to be done if the limit were extended to where there was any significant amount offarm land brought in; at the present time there is not much distinction there of that sort.

MR. DAVIES: Well, is the whole question in that case one of zoning?

A I think so.

MR. DAVIES: The zone would run between the industrial land and the agricultural land and the City zoning regulations would take care of that?

A Would give a main lead on it, it might have to go even further than that, and the only sentence that we put into the brief was that if the area is extended very widely it may be necessary to provide some special rules of assessment for property located outside the limit of sewer and water facilities; in other words, that we wanted to mention the problem without making any concrete proposal at this stage; it is one of the very awkward and very important questions that would have to be dealt with.

MR. DAVIES: Does the City get into any embarrassing position as a result of demands that might be made upon it in respect to service if their boundaries are extended unduly outwards?

A Yes, they would.

MR. DAVIES: As a result of the operation of statutes, for example?

A Yes, they probably would. On the other hand, those would not be much more serious than what they get in respect to pressures for changing of zoning regulations anyway; if it is zoned for a certain provision you get into pretty much the same problem.

MR. BLACKSTOCK: The extension of utilities is purely within the power of the municipal council.

A Yes.

MR. BLACKSTOCK: They are not under any obligation to afford service unless there will be a proper yield from the service and as long as the City can afford to spend the capital required.

A That is correct, yes.

MR. BLACKSTOCK: It is a matter for the council to decide when the problem comes up?

A That's right.

MR. BLACKSTOCK: As to whether or not the service should be extended.

A That is correct, yes, but they do get into pressures and promotions.

MR. BLACKSTOCK: Oh, well, yes.

A And they would get more of them if the areas were extended wider, I think that is the situation, we may as well be realistic about that.

THE CHAIRMAN: Mr. Moffat, I raised the question the day your brief was presented first about this whole matter of the boundary, and the area that we are talking about.

A Yes.

THE CHAIRMAN: It seemed to me to be futile to talk about

THE CHAIRMAN: (Cont.)

a metropolitan area when we all had different ideas as to what you meant by a metropolitan area. Now, we did localize it somewhat by getting from Mr. Gertler the scheme of the green belt and the area inside that, with his reservations about the possibility of the green belt being utilized for certain other purposes other than just what would ordinarily be understood by a green belt. Now, you say that you think it is necessary for an agreement on the part, you didn't say of whom, as to what would be the metropolitan area, that is the area which would come under the governance of this single municipal body that you have been describing in your brief and advocating in your brief. Now, it seems to me it is the business of either the City people or their experts to determine that, and then the Commission will know what the City would like, what the City proposes; and it does not necessarily mean the Commission will, the Commission does not necessarily need to take that seriously,but at least it knows what you are talking about.

A Yes, well, I was wondering whether we could approach it something like this, the City would take the responsibility of laying out the boundary for the purpose of getting information.

THE CHAIRMAN: Yes.

A And still reserve the right to change its mind as to advocating whether or not that should be the boundary, in other words, I don't want to get the City into the

A (Cont.)

position of committing itself to what it thinks should be the boundary; but if it is only for the purpose of getting the information I think we could agree right now to use the outlined general plan boundaries, and then any adjustments, it would be a case of calculating what assessments there is on any particular area that is added outside of that or any particular area within that that is not included. The basic issues would all be dealt with because that is, that would cover the main settlements of the -- where there is --

MR. ROBISON: Mr. Moffat, I would like to reinforce what the Chairman has said. It seems to me that there is a little attempt here, I use the colloquialism, of hedging, on the part of the City.

A Certainly, but --

MR. ROBISON: On the question of this boundary. Now, I think it is your duty to help us, to help the Commission, not to jockey, I think you ought to help us and give us as much information about this boundary, surely we are entitled to have your best thinking on that, as objectively as possible. After all, it is our duty to make recommendations and it is your duty to provide us with information. Can't you agree on a pro forma basis on some boundaries within the ambit of which we can think and relations can be developed? I think that is what the Chairman has in mind.

THE CHAIRMAN: Yes, and I want to add to that, Mr. Moffat, in response to what you have said, I can't see how this will tie the City down to anything. It is simply a proposed boundary set-up for discussion, examination and the good judgment of the Commission.

A Well then, on that basis would we be, would it be agreeable to use the outline general plan as a starting point for collecting information?

THE CHAIRMAN: Except for the fact that you have just said a few minutes ago that it was too small an area as you look at it now, it looks as if it would be overflowing, the City would be overflowing its banks in a matter of two years, and that --

A Not two years, sir, a few years.

THE CHAIRMAN: Oh, I am sorry, I thought you said two years. Well, anyway, but not the length of time that is envisaged in your brief.

A No, that's right.

THE CHAIRMAN: Well, I want something at least, for my purposes at least, now, I may be peculiar, but I would like to have the kind of thing which you, as the principal adviser of the City would suggest, having in mind all the information which you have, the population growth as it is going on now, and in the foreseeable future, and what you think would be, what was that word -- optimum -- that is a good Latin word, I don't know what it means, I think I heard it used in this meeting.

A I didn't use it either, sir.

THE CHAIRMAN: Well, no, but maybe we will have to accuse Mr. Gertler about it.

MR. DAVIES: It is related to "optimistic", sir.

THE CHAIRMAN: I don't know, that's what I was afraid of.

A Well, I think, sir, what we might do is have a discussion with some of the City officials over the weekend.

THE CHAIRMAN: Precisely.

A And see if we could conclude on a figure that, or on an outline that we would be prepared to propose.

THE CHAIRMAN: Yes. That is what you have in mind, Mr. Robison?

MR. ROBISON: Yes, yes, quite.

THE CHAIRMAN: Well, that is the kind of thing I have in mind, too.

MR. BLACKSTOCK: I will put it in my simple way, will you tell us what your thinking is as to boundaries and why do you think that way?

A Yes.

MR. ROBISON: Yes, because you have said, Mr. Moffat, when I asked you the other day what a generation was --

A Yes.

MR. ROBISON: You said either 30 or 35 years. Now, if you are going to set up your boundaries, obviously you must be thinking or the City must be thinking in terms of 30 to 35 years extension of some kind, and I suppose, Mr. Chairman, that is where the "optimum" business comes in.

R. E. McGrath - McDonald Co.

THE CHAIRMAN: Well, [illegible] hence we will have an adjournment.

Mr. Controller adjourn it.

MR. DAVIES: It is related to [illegible] opportunity, sir.

THE CHAIRMAN: I don't know, that's what [illegible] was already of a [illegible] Well, [illegible], we [illegible] do is [illegible] a [illegible] assurance [illegible] [illegible] [illegible] weekend.

THE CHAIRMAN: [illegible]

[illegible] and we could [illegible] [illegible] [illegible] [illegible] [illegible] on Tuesday [illegible] [illegible] [illegible] [illegible] [illegible]

THE CHAIRMAN: Yes.

A Well, we can have some discussions over the weekend and see what we can come up with.

MR. ROBISON: Some conclusions, tentative conclusions.

MR. DAVIES: Before Mr. McKenzie proceeds, and to keep this material all together, Mr. Moffat, might I make one further suggestion.

A Yes.

MR. DAVIES: My recollection is the brief of the Clover Bar School Division is very much concerned about the school which it has set up, if my recollection serves me right, which takes care of the high school education of twenty-two of the districts that compose it.

A Yes.

MR. DAVIES: Now, I would think that if your boundary, if the boundary that you ultimately have in mind to suggest to us, comes somewhere near that school, you should try and leave the school out.

A Well --

MR. DAVIES: You should at least give consideration to that.

A Yes. I should give consideration to it, but leaving it out, when over in one corner of the Clover Bar School District -- that is not satisfactory either -- well, yes, it would have to be looked at.

MR. DAVIES: I don't know what all the implications would be but you are aware of it anyway.

A Yes, very much so, there is that problem, particularly there, and there are a couple of elementary

A (Cont.)

schools on the north side with a somewhat similar problem, where a somewhat similar problem arises.

THE CHAIRMAN: Well, Mr. McKenzie -- ?

Q MR. McKENZIE: You have given us the additional costs estimated at taking in Jasper Place and Beverly; I was wondering if you have given any thought to projecting the costs for normal city growth over the period anticipated in your brief or for any period: I think that additional cost is only one factor from the inclusion, but the projection of normal growth costs is what I was interested in now.

A Yes. We have given considerable thought to that but the conclusion was that the material prepared would be on the basis of the cost of changes in municipal boundaries, at least that costs arising from growth inpopulation were going to happen anyway, related to the growth of population in the area, and the change of the municipal boundaries would not materially alter those except that it would centralize the financing and presumably steady up the credit rating, and would allow some savings on planning because a tie-in on the end of an existing system would be cheaper to work with than starting to establish a new one; but those kinds of costs for new population coming in would be a charge on the new residences that would be built, causing them to be needed, and on the factories which would be employing

A (Cont.)

people which was causing them to be needed, and it would be something that would develop and be more or less self-supporting as time went on, and that for that reason there was nothing concrete that has been prepared at all in the way of projections of that sort.

Q Well, the extension of the boundaries would have a bearing on who might be reponsible for those growth costs, if the boundaries remained constant and all the growth took place outside Edmonton itself as presently constituted would no longer be responsible for that growth?

A But would no longer, would not have the revenue generated by the areas which were growing so that the two, would, within reason, balance each other, the extra cost and the extra revenue must come somewhere close to balancing.

Q Yes, but I believe your brief points out that the capital cost of growth has an early impact and the revenue may not be collected for some years, and we are presently suffering from this early impact --?

A That is correct, but we have done nothing precise on that except just the kind of general analysis which you are giving there now.

Q I was thinking of it in relation to the capacity of the City to borrow, for instance, that if normal growth was going to take up the full capacity of the City to borrow, would the additional impact of

A (Cont.)

700,000 a year for twenty years be justified?

A No, not unless there was an additional revenue base coming with it. Now, if the industrial area is included within the City's revenue base, then I don't think there is any question but that the City's borrowing powers will be better. The City's borrowing powers will be better than they are under the present situation, particularly when the continued industrial growth is coming on the outside and the continued residential growth is coming on the inside. I was looking last night at some figures I hadn't quite got into my head before on the new building permits in the City and it shows up very dramatically. About the way the growth is coming in the residential building within the city and a very small amount of industrial permits in the city. Just for the sake of a reference, it is in the Commissioners' eight months report, the permits are quoted there, and last night for the first time I really got around to look at them and I was quite impressed with the way they show that thing up.

Q Are you familiar with a report by Mr. D. C. Corbett, I believe it is entitled Urban Growth and Municipal Finance, 1952?

A I know that such a report exists, I haven't read it.

Q Well, I understand that in that report there is a strong suggestion that urban municipalities, cities in particular, are not taxing as much as they can

Q (Cont.)

or should; have you any views on that subject?

A Are you asking my views or the City's views? I hedge that one.

Q Well, have you any view that you can express to the Commission on behalf either of yourself or the City?

A Well, I had better put it this way, that any criticism of that sort that there is, is directed against not only the cities but the suburbs, and the rural municipalities; now, whether there is any criticism justified or not, the amount of the criticism will be just about the same whether it is in one area or three or four. Now, I would just as soon not express an opinion on whether I agree with that criticism, but if there is criticism it is just as applicable to a city on the narrow boundaries as to one with big boundaries.

Q We have an Act here in Alberta called the Industries Assessment Act; are you familiar with that Act?

A Not in detail, but in a rough way.

Q I observe in that a municipality is defined as being a city, town or village and omits a rural municipality.

A Yes.

Q And then it goes on to provide that a municipality, being a city, town or village, can grant fixed assessments for periods up to twenty years.

A Yes.

Q And can give various tax advantages?

A Yes.

Q Do you know whether it has been the practice of the City of Edmonton to grant tax agreements or assurances of tax stability?

A I think the answer is no, I would like to confirm that. I understood the answer was no, and I thoroughly agree with that in principle, although you may have to do it for special circumstances sometimes.

MR. GARSIDE: The Mayor would like to make a statement.

MAYOR HAWRELAK: I think, Mr. Chairman, in only one instance was that done, and that was in the case of the Macdonald Hotel where a fixed assessment for a period of ten years was granted on, I think it is $75.00 per room, when the latest addition was brought into being, that is the only one I know of.

Q MR. McKENZIE: You mentioned somewhere in your brief that additional taxation might provide a blight on the advent of new industry?

A I don't know if I mentioned it in this brief but I remember discussion of the point, yes.

Q I understand that the tax rate in Edmonton is higher at present than in Strathcona?

A Yes, but not higher than any of the other surrounding municipalities, including Morinville, Sturgeon and Stony Plain, at least not sharply higher, a little bit higher than Sturgeon, I believe.

Q Do you consider that the tax advantage in Strathcona has been a motivating factor in the location of this large body of industry there?

A It has been one of the considerations, I think, but not by any means the most important one. I am sure the most important considerations were to be close to the gas and oil fields, first; and, secondly, to be close to a big urban area where their employees would be satisfied to settle down and could get urban living accommodation and downtown shopping facilities and downtown entertainment facilities and everything else that goes with a big city.

MR. ROBISON: What about water?

A And that would be the third one, I was coming to that, to a place where they could get water and get water on the downstream side of a big city.

THE CHAIRMAN: And transportation?

A And transportation also, and within the limits, I notice the reference to Beverly as against Strathcona, for example.

Q MR. McKENZIE: Yes?

A Within the limit of half a mile or so, it might put the plant on the other side of the river, but to drive it fifteen miles out in the country or twenty-five miles out in the country, would take quite some different type of incentive. A few miles might cause them to locate on the Clover Bar side rather than on the Beverly side but that is a different thing altogether from going completely out of the area.

Q If taxation was a substantial factor in the location of any particular industry, The Industries Assessment Act would provide an out to grant such an

Q (Cont.)

industry a tax concession?

A It would, and more than that, that is the proper way to do it, because there may be two or three specific industries where sometimes a tax concession is required, and you may have very special circumstances, and the extreme case that I have been familiar with is the situation on one of the hydro-electric plants of the Winnipeg Electric Company where they had something like thirty million dollars worth of investment in a concrete dam and facilities there of only about six or eight employees in the plant. Those kind of cases, that is the most extreme, but degrees of that, you might have to have special arrangements but if those kind of special arrangements are required for two or three plants, there is no reason why that should be allowed to become a tax concession to everybody else who happens to be in the same municipality, and allow them to have a tax base that is a lot lower or a tax rate rather that is a lot lower than what is the prevailing rate for similar people located in about the same relationship to the community.

Q The attitude of some of these industries with respect to this problem of amalgamation might be influenced by what the City would be prepared to do in any individual case; have there been any discussions as to the willingness of the City or otherwise to grant such concessions?

A As to what the City would be prepared to do or as to what the provincial legislation would provide, the two things would have to be taken into account, and from the point of view of the City the only discussion has been in terms that they would be willing to discuss such a thing, nothing concrete. In terms of general principle I think it would be very touchy to do that on the basis of a discussion with the City only without taking into account other similar plants, other similar plants in other places in the province, so that it may be a problem that has to be tackled on the province-wide basis.

Q Now, turning for a moment to the form of government of the new area that you propose?

A Yes.

Q I understand that you propose one council having complete jurisdiction over the entire area within its boundaries?

A That's right, yes.

Q Now, the usual situation in a municipality where that exists is that there are school boards which are separately elected and which requisition for their funds?

A Yes.

Q On the municipal body. Now, in some areas of this province a different form of government has been applied to one unit, I am speaking of the counties where there is a county council.

A Yes.

Q Now, take a city with all the powers it would have under The City Act, with the sole difference that it would have a county council form of internal administrative government, namely, instead of a school board, a school committee which would have complete control over school affairs with the sole difference that instead of requisitioning it, together with the municipal committee would each prepare their individual budgets and submit them to the council for approval: has any consideration been given by the City to the application of that form of government to the new area?

A Yes, and the decision was to recommend on this other basis. The considerations being, one, a long history, all over Canada, with the exception of the county set-up here in Ontario, pardon, in Alberta, of the school board being separately elected and separately responsible for school matters; secondly, and I think more important, the fact that the, this area now has a separate school board and there are certain complications in the constitutional set-up which would make it very awkward to try to do anything different with that particular problem, and so taking those two considerations together, the proposal was sent in the form it is. Now, the City has not any very strong reason to propose the other if anybody wants to promote it, but the City's conclusion was that they were not in a position to propose the alternative. I will say, I will put it

A (Cont.)

that way, that they will not oppose but they will not support the county point of view for those two reasons.

Q With respect to the second point, without applying the county form of government in detail but in principle only, under the principle one could have a public school committee with sole jurisdiction over public school board affairs and a separate school committee with full jurisdiction over separate school affairs,again the sole difference being that they would prepare a budget for submission to the over-riding authority which would consider all functions of the municipal organization and the budget would require approval, but once approved, onceit is approved each would have complete autonomy within its own limits?

A I am not sure that even that would get through the constitutional problem, I haven't studied it in great detail but certainly it would need to be looked at very hard, and the basic position as far as the City is concerned is that that is a question that the school people should deal with and subject to any proposal that they might make in that direction the City would probably be prepared to go along with it.

Q In connection with rural areas the reason I am asking these questions is that in some of them at least the influence of the municipal organization differs from

Q (Cont.)

the school organization, because I think it is apparent in some cases that the municipal organizations have felt that there might be certain economies effected, or certain variations in the distribution of the total municipal revenue if there was one over-riding body which would distribute the whole: consequently, there is sometimes a difference of opinion between municipal and school authorities and I was wondering if --

A I can add from my discussions that it is not only in the rural municipalities, I think there is some evidence of that in different departments of the provincial government too, the same kind of discussion, and as I say, the conclusion of this discussion so far as the City authorities were concerned was that if the schools themselves, the school authorities wanted to propose the other sort of approach, they would be prepared to go along, but in the absence of such a proposal the suggestion would be in the form that was set out in the brief.

Q You mentioned that this is a problem which would have to be looked at very carefully and very thoroughly, and that perhaps that consideration has not yet been given: I was wondering if prior to the November 22nd hearing some further consideration might be given to this subject and if you have any further views they might be expressed at that time?

A Yes, yes, certainly, we will have another good hard look at it.

Q On the question of civil defence, are there any arguments for or against your system or the system that you propose from that standpoint?

A Well, there are, I think, quite strong arguments in favor of one body responsible for whatever civil defence arrangements are made for the whole area rather than having it fragmented and having the kind of jealousies that quite often develop between the authorities in adjoining areas. I don't think anything specific, I understand, as I understand it, the co-operation has been quite good in the areas but there is always the danger of some lack of co-operation developing; but I would say that in the case of civil defence, the advantages of the one authority are approximately the same as they would be with respect to such things as sewer construction, main roads and so on. It is, it seems reasonable, a reasonable arrangement to have the plans developed in relation to the whole area with some provision to make sure that you would not develop into petty frictions on a division basis.

Q I believe your brief indicates generally that a common feature of metropolitan growth is that new communities spring up just outside city limits for two major reasons, the desire of the inhabitants to escape high city taxation while still enjoying the facilities --

A That's right.

Q -- and the desire to avoid city building regulations?

A That's right.

Q Yes. Jasper Place and Beverly, I suppose, are typical examples of where this has happened?

A Jasper Place, yes, but not Beverly, because Beverly developed primarily around the mine head and then started branching out from there, as I understand it, but Jasper Place definitely is an example of that.

Q Yes, and both Jasper Place and Beverly and the problem they cause existed prior to the 1947 oil boom?

A Yes, in a small way, but the real problem there is the school problem, from the growth of the new families who have come in there just in the last few years and whose problem is going to be even worse as soon as the remaining residential areas in the City get filled up, it is going to be even worse, and which is going to come prettyquickly, so that the whole of the extra residential area would slide over the edge. Now, whether you can tie that back to the oil boom or the fact that the whole community is growing very rapidly is hard to say, a substantial part of it is growth from the oil boom but a substantial part of it is just growth and it is happening in every other city in Canada as well as Edmonton.

Q In other words, the oil boom may have aggravated a problem which either existed before or was bound to exist in any case?

A That's right, yes.

Q And the problem that was there before or that was bound to exist in any case was largely, as you pointed out, a lack of balance between assessments, residential and commercial, and the fact that they are dormitory communities which conduct their business and get their employment elsewhere?

A That's right, yes.

Q Mr. Mayo has a question he would like to ask at this point.

DR. MAYO EXAMINES THE WITNESS:

Q Mr. Moffat, this follows directly on the other questions that Mr. McKenzie was asking. It is a question of trying to separate the impact of the oil boom on the growth of this particular city from the growth of cities in general.

A Yes.

Q Now, perhaps you have seen some figures calculated there by Mr. Harries, have you?

A Yes, yes.

Q In his Study for the Chamber of Commerce; I was wondering what you thought about the validity of that kind of calculation?

A Well, which figures, there are a lot of figures here?

Q Well, the figures on this precise point, the estimate of the population in Edmonton which are here due to the oil boom and entirely traceable to the oil boom?

A I haven't considered it from that point of view. It seems to me that the question of what was caused by

A (Cont.)

the oil boom and what was caused by other factors is not too awfully important. We have got a city, it is growing fast, it has got a terrifically big percentage of its people in the young age group who are bringing on a lot of children and who are going to have to set up homes for themselves fairly soon, and it has happened and that is what the community has to deal with, and as a result I have not directed too much attention as to precisely what is caused by the oil and what is caused by other factors because the same sort of thing has happened elsewhere. I would be glad to take a look at these figures and see but I haven't looked at them up to now.

MR. McKENZIE EXAMINES THE WITNESS:

Q Well, from what you have just said and from the origin of these communities which ante-date the oil boom, it would appear to be a natural reaction for these fringe communities to oppose amalgamation largely for fear of higher taxation resulting from it?

A That's right, that's right, that is the history of every one of these cases.

Q Similarly, it would seem to me that it would be natural for the City to oppose amalgamation under ordinary circumstances because of the heavy burden of additional cost it would have to bear to provide services for these outlying areas?

A Yes, the history of that is very interesting, it is

A (Cont.) the same in practically every case. The central city proposes amalgamation in practically every case. But, however, that has changed in the last few years, primarily because the central cities have found that in order to provide themselves with transportation and get their roads and their elbow room, as I called it yesterday, they had to take some responsibility with respect to the suburban areas, and they might as well do it by asking that the whole thing be brought in together. Now, that change is a change that has happened only in the last few years in a few cities, and then in Edmonton you have the extra situation which is completely unique as far as I am aware, that the industrial growth is coming out on the edge of the City. In, now, there are very very few cities where that is happening and as far as I know there are none where it is happening to anything like this extent and that makes a special reason why Edmonton goes along, but Edmonton is in the good tradition when they say that they will oppose a proposal to bring in just the dormitory suburbs, they are right in the ordinary tradition in taking that position.

Q That is an interesting thing that struck me, that ordinarily the central city would oppose and ordinarily the fringe communities would oppose for directly opposite reasons?

A That's right.

Q And here some common interest is apparently uniting

Q (Cont.)

the three communities to express, to request practically the same thing?

A That's right, the common interest, I don't think there is any mystery about what the common interest is, but I would say it this way, though, it is not a common interest in trying to get something, it is a common interest in having something that is available to be used and that is commonly creating the same problem for all three, namely, the dormitory areas without the industrial taxes available.

Q It seems to me that Edmonton's brief is in just a bit of a contradictory position in that it comes out flatly and says it would like an amalgamation which would share the industrial assessment over in Strathcona with all three but it would not like an amalgamation which would share Edmonton's industrial assessment with the problem communities on its fringes; the reasons for it are obvious, but it does seem like a contradictory position?

A Yes, but it is the contradictory position that I get into sometimes, there are a lot of things I would like if I could pay for them, and I think that is what the problem is really, we have certain responsibilities and we would like to meet them but only if we see some way of paying for them.

Q If the industrial section of Strathcona is incorporated into the City as the City has recommended, what do you calculate would be the effect on the Sherritt

Q (Cont.)

Gordon plant at Fort Saskatchewan which is left beyond?

A Well, I have tried to do some arithmetic on that and you get into this situation, the present mill rate in there is about 25 mills; if the present industrial assessment of around $13,000,000.00 was taken out and the Fort Saskatchewan Sherritt Gordon assessment was put in, the mill rate, I can't get the exact figures because you don't know what other things would be taken out, but the mill rate is bound to be a little higher than the present 25 mills, but just how much higher I don't know, but it would be still I think less than in the surrounding municipalities. Now, the result will be that that mill rate will be a little higher on the Sherritt Gordon plant than it is at the present 25 level, but in addition to that they would lose the benefit, of course, of the further reduction which is likely to happen if the extra assessment is added in there for another year and the expenditures stay about where they are, that mill rate is going to go down farther, I have heard somebody make the comment that at the rate it is going, the mill rate getting smaller and smaller, before long it will be down to zero and then they will start paying dividends, the way it is developing, but that kind of thing they would lose.

Q Well --

A But as nearly as I can put it in arithmetic it will

A (Cont.)

produce a mill rate there a little bit higher than the present mill rate but a little bit lower than in the surrounding municipal districts.

Q Looking at Strathcona's situation, looking at Strathcona's situation in terms of the individual's situation, when an individual's income gradually rises his standard of living and scale of expenditures normally rise sharply in proportion?

A Yes.

Q And I am just wondering whether Strathcona may not have incurred a lot of general expenditures in the expectation of a high mill rate or undertaken public works programs which it might not otherwise have undertaken and for which it would retain the liability, and if it lost a large portion of its industrial assessment, whether a heavy burden might not fall on the industrial assessment which remained?

A I think the answer is no, as far as I can see; I am just trying to get my hands on -- here it is -- no, on the Strathcona financial statement, there is no evidence in there of that sort of thing that I can see. Their expenditures on public works, for example, if you take the public works expenditures out of current accounts, and add on to that what they call capital expenditures out of revenue account, taking the two together, together with the total of public works, they are not out of line with Stony Plain and Morinville and Sturgeon, there is no

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evidence that I can see that they are spending any more than their neighbors; and secondly, there is no debt there. There is only a small debt and it is tied back to waterworks, again I am not sure of the full details of how it is tied back to waterworks, but that is the only debt I can see in the balance sheet. As I say, I would like to have a thorough discussion with their officials. Those kinds of considerations from their balance sheet make me think that it is not true that they have got themselves into expenditures and commitments that they more or less spent in advance of revenue that they anticipated from those plants.

THE CHAIRMAN: Mr. McKenzie, the Commission will take a recess for ten minutes, having in mind the task of the reporter.

(And at this point a ten minute recess was had.)

THE CHAIRMAN: All right, Mr. McKenzie?

G. J. BRYAN, ESQ. Q.C.: Mr. Chairman, I was wondering if I might ask one or two questions of Mr. Moffat before he is finished?

THE CHAIRMAN: Yes, you are finished, Mr. McKenzie?

Q MR. McKENZIE: I have a few more questions but it is immaterial to me when they are asked, sir --

MR. BRYAN: I didn't intend to, I am sorry, I did not intend to precede Mr. McKenzie, I thought that perhaps he was finished. You go right ahead.

THE CHAIRMAN: All right, Mr. McKenzie, you carry on.

Q MR. McKENZIE: Just going back for a moment, Mr. Moffat, to this problem of the impact of growth and the portion of the growth that is attributable to oil.

A Yes.

Q What I had in mind that, what I had in mind was that perhaps the normal growth which would have existed apart from oil might be an ordinary urban responsibility, whereas that portion of the growth that is attributable directly to oil might be more of a, say a provincial or even a higher responsibility because as I understand it Edmonton has the highest per capita debt in Canada which is in part due to the impact of oil, and the oil development is of benefit to all sections of Canada, not to Edmonton or Alberta alone?

A Yes, well, yes, we take that position in the brief, that the oil development, that the chemical plant, the petro--chemical and the oil development, the people who have the benefit of that industry, that industry's products, should be entitled to expect that they would be called on to pay their proper share of providing municipal services, and we have stated that position in the brief, and there is no question that the oil and chemical industry here has, shall we say, greatly aggravated the general problem of an industrial growth. I was just looking at the figures here during the recess and the population growth in Edmonton as everybody is aware

A (Cont.)

is very much greater than any other city so that there is that evidence of a much greater growth, but to try to divide it, I have not made any attempt to say which is which.

Q Well, what I had in mind was that if it were possible to obtain some statistics which upon examination proved to be more or less convincing one way or the other as to what portion was attributable to oil, it might be of assistance to the commission in making any recommendation in this regard.

A Oh, yes.

Q Which might be justified by the statistics?

A Oh, yes, it might be useful, yes; I would go more than that, I think it would be useful, if we had any, only I hope you are not suggesting that we get them, that is the thing I am a little afraid of.

Q Well, that was exactly what my suggestion was, that Edmonton would be the municipality to benefit most directly from such aid and it seems to me the onus should be on Edmonton to prove its case for it. On taxation and industry, is there any real evidence that you have uncovered anywhere that taxes in Edmonton have discouraged industry in Edmonton as compared with Strathcona, do you know of any instances where an industry might have located in Edmonton but for tax reasons decided to go outside?

A I don't know of any concrete one, but I am sure from the general situation that there must have been

A (Cont.)

several industries, small industries, not big ones because in the big ones there are other locational factors dominate the tax situation, but some of the smaller ones where there might have been location in the City available to them, probably would have chosen to go out there knowing that the tax rate out there is down to this lower level, but I can't put my finger on any particular one and say that it has happened. I am thinking of the kind of small metal fabricating that you have along the highway at the end of Whyte Avenue there where it curves out through the country, and that type of industry may have gone out there but I don't think that applies to the big ones, I think that other factors dominated on the big ones.

Q Apart from pure considerations of dollars and cents, I presume the City considers there would be certain intangible advantages that are hard to assess resulting from amalgamation; I wonder if you would care to say anything about those?

A Well, I don't know as I can speak for the City on that kind of thing. I have been concentrating on the financial and business aspects of it. There are the kind of things that are always there, a city which is growing, a certain amount of pride at being a bigger city, there is that sort of thing, there is the provision of better park arrangements and that kind of thing.

Q Perhaps --

A I don't know if that is what you had in mind or not.

Q No, it was not, quite. For instance, if Jasper Place and Beverly were included and were made subject to zoning and building restrictions of the normal type that are applicable to the present City, would Edmonton property values, for instance, on the western limits be improved or affected by effective zoning in Beverly, for instance?

A Yes, they would, there is no question about that, but there is also the other difficulty that a community, as was brought in yesterday or the day before, a community this size has got to provide some facilities for a cheap type of housing and bringing them in does make you a problem of that sort, which to some extent offsets the advantages of the type you are saying so that they are all balanced,and you may have some complications, you do certainly, improved property values on the west side.

Q Going back to something you said earlier, you said that the natural tendency will be for industry to locate along the river downstream?

A That's right.

Q It seems to me that the reverse natural tendency then would be for housing to develop upstream to the west?

A That's right, and particularly to the south.

Q And Jasper Place bounds the City on the west and to the south to some degree?

A Yes.

Q And it stands in the way of where housing would normally develop?

A That's right.

Q Any increase of property values that there might be in any event would result in increased assessment to Edmonton?

A Yes, and related to that same sort of thing is the better facilities for loaning through the Central Mortgage and Housing, the general better attitude of the mortgage companies, and generally towards financing of new houses, new housing projects.

Q I would like to turn for a moment to a different problem that has not been mentioned up to now I don't believe, the City of Edmonton maintains a power utility, it produces and sells power?

A Yes.

Q Calgary Power presently has very large installations recently completed in Strathcona where it sells power?

A Yes.

Q And I believe it presently sells power in Jasper Place?

A Yes.

Q What does the City consider would happen to Calgary Power and its installations for the sale of power in these areas if they are included in the City?

A The -- I was just looking for my notes on this.

MR. BLACKSTOCK: And, Mr. McKenzie, keeping in mind that Calgary Power has an order from the Public Utilities

MR. BLACKSTOCK: (Cont.)

Board under The Public Utilities Act authorizing them to distribute power in a definite area in the Municipality of Strathcona.

MR. McKENZIE: Yes, sir.

A It goes farther than authorizing, doesn't it, sir, it goes to the extent of requiring that they provide service over the area, doesn't it?

MR. BLACKSTOCK: No, it is a permissive order.

A Oh, it is a permissive order, yes.

MR. BLACKSTOCK: It is a permissive order.

A The general thought on that, it applies to the power situation, it also applies to the telephone situation, was that the new council when it was established and operating and after it had dealt with whatever problems, whatever other problems were involved in getting its administration going, would then undertake negotiations looking to buy, to buying out. Now, that would involve the approval from the Utilities Board, it would involve negotiations at the time. If the community thought that something should be done and agitated that something should be done quickly negotiations would go on more quickly; on the other hand, if things were working fairly smoothly, it would be left that way for awhile; but the financial implications of it are that the area, the present rates would within reason cover the operating costs and cover the cost of whatever capital was involved in buying them out.

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Now, there would be the immediate problem of financing the purchase, and that would apply, if that kind of an arrangement were made with Calgary Power, it might be that it would be just as well to leave Calgary Power alone, but that could be worked out by negotiation after the new council was put into responsibility. Now, that is the general thought back of that situation.

Q MR. McKENZIE: The present viewpoint is that in the long run both Calgary Power and Alberta Government Telephones in the areas involved will be bought out?

A If that is what the community wanted, to do it, and if it could be worked out at a proper price, but there would be opposition to a commitment that "We will do it right away.", which would be very bad from a bargaining point of view and be very bad all the way around.

Q Yes.

A It would be a responsibility left to the new council to make up its own mind and deal with it as it arose.

MR. DAVIES: Do I understand, Mr. Moffat, that the logical implication of what you are saying is that if this Commission should recommend the establishment of a metropolitan area, that it should make no recommendation then in respect to these utilities?

A No, I don't think so, I think it would be quite in order to make a recommendation provided that the time was not specified too definitely so that there was room for negotiation to take place on a reasonably

A (Cont.)

give and take basis rather than a shotgun marriage, you might say, or that sort of a thing, because there are all kinds of opportunities for sharp bargaining if there is too definite a deadline. Now, that depends an awful lot on the community attitude, of course, and particularly the rates which are a bit higher in the suburbs and they may insist on something being done fairly quickly.

MR. BLACKSTOCK: That is true of Jasper Place too, Mr. Moffat?

A Yes.

MR. BLACKSTOCK: I think Calgary Power has a franchise.

MR. McKENZIE: Yes, that is correct.

MR. BLACKSTOCK: And perhaps in Beverly, I am not sure of that.

MR. McKENZIE: Well, the Alberta Government Telephones are in Beverly, sir.

A And so is the City, they are both in there.

MR. DAVIES: You see, something would have to be recommended I would think offhand in the event that a greater metropolitan area were established; surely some recommendation would have to come from this Commission because assuming the boundaries of the City were extended, the question would immediately arise then as to whether or not further extensions would be made by the city owned public utilities system.

A Well, there is some legislation problem there too.

MR. DAVIES: Or of the power distribution or telephone distribution utility that was operating within the area, that would be bound to come up. For example, let us take the City's east boundary on the south side now, let us assume, let us suppose that a metropolitan form of government were established that extended the existing City boundary, it might be that within two months after that date or a month after that date that somebody wants some power across that line and the City would then maybe take the view that, well, "This is now in the City limits, we'll just go across that line."; and on the other hand, the Calgary Power might be sitting on what it considers to be its rights still within that old area which would now be within the City. Therefore, I would conclude that we would have to hear a certain amount of evidence on this and I would think at this stage that we would have to be prepared to make some recommendation as to ironing out all these things.

A Yes, and there is the problem that the legislation, I think it is in relation to power, I am not sure which one of the utilities, but it is one of them anyway that requires that the area within City limits shall be served by the City, so that there would have to be an amendment in the actual legislation on that particular point. Now, a practical example which I mentioned the other day, it sticks in my mind as being reasonably important, is with respect to telephones, whether the Crestwood area would be served from the Jasper Place exchange or from the

A (Cont.)

City exchange. There are some financial savings involved in tying it on to the Jasper Place exchange. Now, that involves some kind of a decision as to whether or not that will be tied in as part of the City system or part of the provincial system. There are those kind of problems but the overall point of view was that it would be better to leave those to be negotiated one by one rather than trying to put too rigid deadlines and clean them all up at once.

Q MR. McKENZIE: I am thinking from the point of view of evidence that may be before the Commission at the time the Commission has to prepare a report; there is some indication that Calgary Power may be submitting a brief and whether it will be dealing with this subject or not it is hard to say, or what it will say in connection with it, but if it is the only brief before the Comission at the time of decision it might make it difficult for the Commission and we should like to have whatever points of view there are, I think.

A Yes, well, certainly it will have to be looked into and it may be that some of the operating heads may be brought to tell their story, we will have to consider that before the next hearing.

Q Some consideration was given to local improvements and local improvement charges and for the purposes of your brief you have taken the figure of 50-50 as being the part that would likely be charged against the property owners as compared to the part

Q (Cont.)

that would be charged against the City at large?

A In the case of streets, sidewalks and sanitary sewers.

Q Yes.

A But the storm sewers, one hundred percent against general tax.

Q Now, those percentages are not always constant in all municipalities, are they?

A They are not always constant in the City in fact.

Q And I suppose there are instances in the City where those proportions might be one third-two thirds?

A Yes, sir, I think so, I couldn't say how far the extremes go but they certainly go fairly widely on both sides of that.

Q What I have in mind is, for instance, a road which is in excess of 26 feet in width, 13 feet on either side is paid by the property owners and whatever balance there is in the centre becomes the City's responsibility?

A Yes, that's right, that sort of thing, particularly on the arterial roads which would probably apply in the case of the main streets of both Jasper Place and Beverly.

Q And then there are the intersections and lane intersections which are not chargeable to ratepayers?

A That's right.

Q And there is the corner lot problem where the same rates are not applicable?

A Yes, the City Commissioners and the Public Works Department people thought that a 50-50 was a reasonable enough estimate for the purpose of calculating how much of it would likely fall back on the general tax base.

Q The Town and Village Act has provision in connection with local improvements not only for a sewer construction charge but for a sewer service charge?

A Yes.

Q Has the City a similar provision?

A I am not sure whether they have the legislation or not, but there has been some discussion of whether it would be a good idea to do it, there is no policy decision, they do not impose it at the moment, but I understand that Calgary does to some extent in one form or another, have a charge in respect to sewers, but the City here does not, although there has been some discussion of it, and that explains one of the points in respect to the debt table which we put in yesterday, which I will have a little bit to say about later if we don't get into any further discussion of it now.

MR. BLACKSTOCK: Well, Mr. Moffat, I am pretty sure that my tax bills in the last few years having a breakdown, have an item showing maintenance?

A As a separate item, sir?

MR. BLACKSTOCK: Yes, I am pretty sure of it.

A I am told there is on the maintenance, yes.

MR. BLACKSTOCK: And I know from my own experience that

MR. BLACKSTOCK: (Cont.)

the sewer maintenance charge against my property at least is much smaller than the sewer service charge imposed by the towns and villages.

A Yes.

MR. BLACKSTOCK: It generally runs about a dollar and a half per month per home.

A But that is apparently maintenance, current operation rather than anything in the nature of a local improvement designed to pay the capital cost.

MR. BLACKSTOCK: Quite true, but as I understand it, Mr. McKenzie is trying to get at the difference in quantum.

A Oh, I see.

MR. BLACKSTOCK: Of the sewage service charge which properly is a sewer maintenance charge because the capital has been taken care of.

A Yes, yes.

MR. BLACKSTOCK: And the maintenance charge that we have in the City.

A Yes, I see what you mean now.

MR. BLACKSTOCK: The difference in quantum.

Q MR. McKENZIE: I am just wondering, in the preparation of your brief if you had given any consideration to the differences in legislation as between the city's ability to look after urban growth and the municipal district's ability to look after urban growth, and perhaps if I might amplify what I mean a little bit: in the province we have three Acts

Q (Cont.)

dealing with local self government, there is a Municipal Districts Act which deals with what is ordinarily the rural or agricultural community with densities up to and including hamlets, when the density gets beyond hamlet size normally The Town and Village Act would then apply with the formation of a village and later a town and ultimately one gets to the City Act situation.

A Yes.

Q Now, there are significant differences in the legislation because obviously some urban or city problems exist which do not exist in substantially rural areas, and what I am thinking of partly is the fact that a City has power to own and operate and instal utilities and I believe M.D.'s have no such power, they can do it by contract only with a contractor, and there are several things of that nature, and for instance in urban areas the City is required to have power to compel water and sewer connections on request, pardon, for reasons of public health and things of that nature, and I doubt if the municipalities have similar powers, and I was wondering if the City has given any consideration to that aspect of the problem and what legislative problems might be involved?

A No, up to the present the discussion has been in terms of what the general principle should be and what they would like to see without any attempt at all to relate that back to what legislation would

A (Cont.)

be required, that would have to be done later.

Q I think that is all the questions I have.

THE CHAIRMAN: Mr. Bryan?

MR. BRYAN EXAMINES THE WITNESS:

Q Mr. Moffat, I just want -- by the way, Mr. Chairman, for the information of the Commission I may say that the contract between the Town of Jasper Place and Calgary Power expired in August and is being held up in the air until we see what happens in various aspects of this problem.

MR. DAVIES: Could you file a copy of that contract with the Commission?

MR. BRYAN: Yes, we can get that for you.

MR. DAVIES: So that we can know about those provisions for renewal or provisions for taking over, valuing their assets, or whatever it might contain.

MR. BRYAN: We will be able to get that, sir.

MR. BLACKSTOCK: It is all in The Town and Village Act, the village has the power when the franchise has expired to take over at a price to be agreed upon and if there is no agreement, then the price is fixed by the Public Utility Board, and if they don't renew it automatically goes on until one or the other gives notice of termination.

MR. BRYAN: That is the present situation.

MR. DAVIES: And how long can that present situation continue, without some definite rights being determined by the contract itself as to continuing --

MR. BRYAN: As I understand it, it can continue indefinitely until either party makes a move.

MR. BLACKSTOCK: Interminable.

Q MR. BRYAN: Mr. Moffat, I just want to get in the record along with the other evidence, earlier today you were mentioning the question about the assessment and I think you stated that Jasper Place had a higher base than the City of Edmonton?

A A higher base?

Q A basis of assessment was higher?

A Oh, the basis of assessment?

Q Yes?

A Yes, a little bit, yes.

Q Now, as I understand it, the formula used generally in the cities and towns is the formula of the Alberta Assessment Commission, is that correct?

A In towns but not in the City of Edmonton.

Q A different base in the City?

A In the City of Edmonton, yes.

Q Now, apart from the formula, Edmonton is based on 1945 costs?

A That's right.

Q And the tax is levied on sixty percent in the case of commercial and fifty percent in the case of residential?

A That's right, yes.

Q In Jasper Place it is on the basis of 1942, am I correct, have you checked that?

A '41 or '42 was in my mind.

Q 1942?

A 1942 was it, yes.

Q And from your knowledge of costs normally 1945 costs would be higher?

A Much higher.

Q Than '42?

A Than '42, yes.

Q So that if the same formula or relatively the same formula were applied Jasper costs would be lower than Edmonton costs?

A Yes, except that Jasper costs are 1942 one hundred percent.

Q Yes, but the tax is based on 100 percent of those costs?

A Yes.

Q We are talking about the assessment, the original assessment, not percentage?

A Yes, the original figure, but the figure which appears on the tax roll takes in the percentage.

Q Yes, it does, that's right, it is one hundred percent?

A Yes.

Q Now then --

A Mr. Bryan, this might be a convenient place to put those figures right on the record, I have them here and was going to file them this morning sometime.

Q If that is agreeable to the Commission.

MR. ROBISON: What figures do you have in mind?

A This is a comparison between the assessment of Jasper Place and the City and between Beverly and

A (Cont.)

the City, I discussed them at some length yesterday.

THE CHAIRMAN: This will be Exhibit 38E.

MR. ROBISON: What do you call this?

A This one is "Assessment and Tax Comparison, Edmonton and Jasper Place", and then there is another one, the same thing for Beverly.

THE CHAIRMAN: Exhibit 39E. This one for Beverly will be 39E.

TABULATION ENTITLED "ASSESSMENT AND TAX COMPARISON, EDMONTON-JASPER PLACE" MARKED EXHIBIT 38E TO THESE PROCEEDINGS.

TABLULATION ENTITLED "ASSESSMENT AND TAX COMPARISON, EDMONTON-BEVERLY" MARKED EXHIBIT 39E TO THESE PROCEEDINGS.

Q MR. BRYAN: Mr. Moffat, there was some questions also earlier today with regard to the form of local government that the City would suggest for the enlarged area, and I believe the City is in favor of one council for the area?

A Yes.

Q Would the City have any objection to an arrangement being made with Jasper Place and with Beverly similar to the arrangement made with Strathcona, I don't mean the Municipal District, but to Strathcona when Strathcona was brought into the union with Edmonton?

A You are referring to what is commonly called the South Side agreement?

Q That's right.

A The City at this stage is not prepared to commit themselves but they certainly are prepared to look at it and see what the possibilities might be. There is this thought involved, that it might be advisable to make such an arrangement for a period of time, for a few years, that would go into effect and then after that period had expired, any such arrangement would end.

Q Yes.

A Now, as I say, no commitment on it, the City has certainly not made up its mind one way or the other but they would be prepared to consider it.

Q Consider it?

A Quite carefully if anybody advances a proposal.

Q Your feeling is that it might be advisable during a transition period, five or ten years or whatever you say, to have an arrangement whereby somebody or one or two or whatever it is from Jasper Place would be on the council although they would be elected at large?

A That's right.

Q As in the case of the South Side?

A And it might be advisable at the same time to put that same kind of a limit on the South Side agreement and after that date had passed the whole thing would --

Q Would drop out?

A Would all fall together.

Q Mr. Moffat, you have told us at one of the other hearings that you had explored the City pretty completely?

A Yes, I have.

Q You have, I presume, been in Calder?

A Yes.

Q What would you say with regard to the lighting system, for example, in Calder?

A I was there in the daytime, sir, I don't know.

Q I think you showed rare judgment.

(Laughter).

As to the streets?

A Well, the one street that I remember particularly was the one that was dug up where they were putting the sewer down.

Q There are large parts of Calder that do not have sewer and water?

A That's right, yes, on the north side particularly, although it is being filled in, on the east end of Calder and working in from 97th Street on the other side, pretty well being filled in.

Q How long has Calder been a part of the City of Edmonton?

A Since the City was created as far as I know.

Q I think Calder came in later?

A Was it a little bit later, but it has been anyway for a long time, I know that.

Q About 1915?

A 1915, is it?

Q Calder has been in approximately forty years and they are now getting some of the amenities of life; would you, have you any suggestions to make whereby the City could, whereby, I should say, Jasper Place would have some assurance that forty years from now they would not be looking for street lights and waterworks?

A I would imagine that some unofficial arrangement of that sort might be made but I would think that any council that is elected responsible for the whole area would have to be left with its hand pretty free to decide from year to year where it was going to develop and what policies it would adopt. I think if a council is elected over this area it has got to accept the democratic principle of responsibility and settle it year by year as it goes along, and some kind of arrangement, some kind of understanding might be made with certain people, that "if I have anything to do with it it is so and so", but the council as such will have to have its hands left free.

Q The difficulty is that Calder got into that democratic principle too and I think you will admit that their street lighting is even sub-subnormal. You have no plans then whereby some assurance, some specific assurance could be given to people there that they would receive the same type of utilities which is now being given by the City to new areas, for example, where there is no development and they

Q (Cont.)

are going in there and putting in sewer and water and sidewalks in new areas not even built on?

A It might be worked out but certainly at this stage there is nothing concrete that I could suggest. The thing though, the residents of Jasper Place don't want to forget in that connection is that there is fifty percent of this or roughly fifty percent of it going to come back in local improvement taxes and that --

Q We appreciate that.

A That may be one of the considerations that will make them not quite so anxious to get on with the whole job as fast as they thought.

Q But you do feel that that problem should be explored?

A Yes.

Q And in fairness to Jasper Place some assurance should be given so that they know where they are going?

A That's right, but I don't think they can be assurances on, that are too enforceable in the courts, put it that way, any more than any other area down in the north corner or the south corner or any other because the council still has to be left with authority.

Q Mr. Moffat, you have on a number of occasions told us about the need in various areas to have a balanced economy?

A Yes.

Q As between residential and industrial so that you get a proper tax base?

A Yes.

Q And the whole tax does not devolve upon residential areas?

A Yes.

Q Now, I think you will agree with me that at the present time the space which is available for industrial sites within the City of Edmonton has become rather small?

A That's right, it is quite limited and it is of a type that will accommodate relatively light industries rather than big scale industries.

Q Yes, and as a result a lot of this industry is now or will be in the very near future forced to seek places farther out perhaps in order to get trackage and proper facilities?

A That is correct, yes.

Q And Jasper Place has at the present time quite a large area in the north adjacent to the Canadian National tracks suitable for trackage facilities and other facilities for industries going in there?

A That is what I understand, there is that area, a corner of the City and over to the west of that into the edge of, the northern edge of Jasper Place, a section there, but it is as I understand it, primarily suitable for maybe semi-heavy industries but not the major type of industrial development.

Q Yes, perhaps warehousing and that sort of thing?

A Yes, that's right.

Q Well then, if due to the lack of space in the City

Q (Cont.)

this growth extends out into Jasper Place and there is a development of that industrial area to the north that would have a tendency to balance up the economy of Jasper Place in giving it a more balanced tax base?

A To some extent, yes, but it is very doubtful whether any great amount of industry would go in there as compared to the advantages of going down in the other section on the east side.

Q Well, that is true, there may be certain advantages one way or the other, I am not going to argue that point, but I am saying that if by reason of pressure and inability to acquire space it did go into Jasper Place it would tend to balance their economy?

A Yes, and I believe that it is already beginning to show that.

Q And the development of industrial sites and plants in the north part of Jasper Place would also have a tendency to develop the business area which is now developed in Jasper Place?

A I am not so sure about the business area, even if the industries were in the north end of Jasper Place the people would probably still tend to come downtown for shopping, or up to the Westmount development for shopping when it gets operating, it does not necessarily follow.

Q The people would tend to settle around the plants or close thereto?

A They tend to settle there and you would have the school problem coming in there and you might have a few grocery stores and a drug store but your main department stores and your entertainment centres and that sort of thing would probably still be downtown.

Q Well, is not the tendency now in the development of most of these large cities for shopping areas to develop of considerable size in outlying points in the City?

A Well, the type of thing that you have in the new Westmount development.

Q The new Westmount.

A But even that, you see, is not a major tax base by comparison with the downtown area.

Q Oh, that is true, but it can develop?

A It helps.

Q To a considerable extent?

A Yes, it helps, that's right.

Q It helps?

A That's right.

Q And it also has a tendency, if a large shopping area develops and industries were to go in in the north to increase land values in that area?

A That's right, it would tend to work in that direction, that's right.

Q Thank you.

THE COMMISSION EXAMINES THE WITNESS:

MR. BLACKSTOCK: Mr. Moffat, you agreedwith Mr. McKenzie --

A Yes.

Q That even although the boundary is fixed there is a danger of a fringe area being developed?

A Yes.

Q Now, how can that be stopped?

A I don't think it can be stopped, sir, but it can be slowed down and I think the slowing down process is primarily a question of strengthening the regional planning group; now, whatever body has the authority for the regional planning would have to be dealt with. I don't think it can be stopped completely.

Q It can only be stopped by some body having autocratic powers?

A That's right, and I don't think we want that.

Q Well, is not that the way we are tending anyway?

A Yes, to a certain extent.

MR. ROBISON: Neither do we want fringe developments of the kind we have got in the City here.

A Well, it is a question of degree, apparently our society wants them to the extent where they are prepared to tolerate them. Now, they are prepared to take that in preference to a complete autocratic prohibition.

MR. ROBISON: Isn't it giving lots of municipal authorities all over this Continent a very heavy dose of indigestion?

A Yes, it certainly is, but still the community, the general public opinion is not strong enough against them to strengthen their hand.

MR. ROBISON: It is pretty strong in some places?

A Yes, and in some places it is not, it depends an awful lot on the community attitude.

MR. ROBISON: Yes, I will agree with that.

MR. BLACKSTOCK: The real answer may be subsidy for low cost housing?

A Pardon me?

MR. BLACKSTOCK: The answer may be or the solution may be a subsidy for low cost housing?

A That is true, and some method of bringing that inside the City limits rather than on the outside, but even with that you would still have to have the regional authority still to deal with the fringe highway development and the, small subdivisions of two or three acres with a house on it and that kind of thing, would still have to be dealt with by a regional authority.

MR. McKENZIE: One further question, in connection with the District Planning Commission Edmonton has been a member and one of the major contributors since the inception of the District Planning Commission?

A Yes.

MR. McKENZIE: And as such it has had some experience with how it operates and what the limitations are on its ability to control development?

A Yes.

MR. McKENZIE: I think the Commission would really appreciate having any recommendations that Edmonton, in the light of its experience, might have for the strength-

MR. McKENZIE: (Cont.)

ening or altering of this body?

A Yes, well, we had been planning to do something of that sort, yes.

MR. BLACKSTOCK: Mr. Moffat, in your brief that you will present in November I would like you to include water rates and power rates in the City.

A From what aspect, sir?

MR. BLACKSTOCK: How much you charge for water.

A A statement of what the present rates are?

MR. BLACKSTOCK: Yes.

A Yes, we could do that.

MR. BLACKSTOCK: And will you, Mr. Bryan, include in your brief the rates charged in Jasper Place by Calgary Power for electricity?

MR. BRYAN: Oh, yes, we will give you that, sir.

MR. ROBISON: There is some question, Mr. Chairman, I don't know whether it is appropriate now but some questions I want to ask about these assessment comparisons. Now, I don't know whether Mr. Moffat will be able to answer them or not, I am quite sure Mr. McDonald can.

A Yes, I was going to say it might be, the plan that we have discussed, the possibility of Mr. McDonald, he might answer some questions now and some on the 22nd of November or it could all be left over to then, whatever you wish, but he is the one who can answer as to anything other than the most broad material on those tables.

THE CHAIRMAN: You are content to let it stand for now, Mr. Robison, and it would be dealt with later?

MR. ROBISON: Quite.

THE CHAIRMAN: Mr. Moffat, you will now stand down until Monday morning.

A Yes.

THE CHAIRMAN: I have made definite commitments to the School Boards that instead of coming in and out every day for a long time they might have a definite time, so they will appear at two o'clock this afternoon and we'll get along as far as we can with them, resuming your cross-examination at ten on Monday, is that satisfactory?

A Yes, that is quite satisfactory to me, I was going to raise the question as to when Strathcona material would be, the continuation of the cross-examination there?

THE CHAIRMAN: Well, I think Strathcona --

A They come after me, do they?

THE CHAIRMAN: They may have some questions to ask you, so you will have your cross-examination or, unless I might ask Mr. Hawkins. Would you prefer to come up now earlier than the City?

MR. HAWKINS: It is immaterial to me.

THE CHAIRMAN: Immaterial, then in that case we will resume and you will be here and have an opportunity to cross-examine Mr. Hawkins. We will now adjourn until two.

PROCEEDINGS commencing at two p.m., Friday, the 15th day of October, A.D. 1954.

THE CHAIRMAN: The Commission has decided that this afternoon we shall devote, if possible, to the briefs to be presented by School Boards and we begin with the Edmonton Public School Board, I am not sure who is going to present it, you are, Mr. Sheppard? Will you come forward then and be sworn?

R. S. SHEPPARD, Esq., having first been duly sworn, testified as follows:

A Is there anything else before I start?

THE CHAIRMAN: No, no, Mr. Sheppard, you just go right ahead.

A "Gentlemen:

We submit the following presentation in connection with the proposed Greater Edmonton Metropolitan Area. A new School Board will assume office in about two weeks -- "

And that should be now in about one week.

"-- and will give further consideration to the brief.

There is considerable uncertainty as to what will be included in the Greater Edmonton Metropolitan Area. In this brief it is assumed that it will include Edmonton, Jasper Place, Beverly, that part of the Municipality of Strathcona immediately south-east of the city,

A (Cont.)

"including the industrial plants and rural parts of Stony Plain, Morinville and Sturgeon in close proximity to Edmonton.

Many people who work in one part of this area reside in another part, i.e. many people residing in Jasper Place work at some of the packing plants. Many of those who work in the industrial plants between Edmonton and Clover Bar village reside in Edmonton.

It should be noted that the educational opportunities and the cost per pupil of providing educational facilities are greater in the City of Edmonton than in the fringe areas.

The average cost of educating a pupil in Edmonton was $216.31 for the year 1953, whereas in Jasper Place the cost per pupil in 1953 was $132.95. A similar comparison of costs would exist between Edmonton and other fringe areas.

If the Metropolitan Area should be formed there is no doubt that the people in the fringe areas will expect, within limits, the same educational opportunities as those residing in any other part of the Metropolitan area.

It should be noted that the taxes on residential property do not provide sufficient revenue to pay the educational costs. The difference between the amount received from the taxes on residential property and the amount required for educational

A (Cont.)

"purposes is derived in the main from

(a) governmental assistance,

(b) taxes on business and industrial property.

The school grants from the Provincial Government to Beverly and Jasper Place School Boards bear a much higher percentage of the total educational costs than they do in Edmonton.

These larger grants are made to Beverly and Jasper Place because there is a limited amount of industry located in these districts. This condition will continue should the Greater Edmonton Metropolitan Area be organized. Hence, the Provincial Government should not reduce its education grants to Edmonton insofar as the enrolments in Jasper Place and Beverly are concerned.

The cost of building an eight-room elementary school in Edmonton is approximately $235,000, which is about $30,000 per room."

May I just supplement that a little, that includes teachers' offices and so on, additional, that might be termed extras.

" The cost of building an eight-room elementary school in the fringe area is approximately $150,000, which is about $18,500 per room.

It will be necessary to replace or improve many of the classrooms in the fringe areas. This will involve considerfable expense.

A survey of the school requirements in the fringe areas indicates that there is a shortage

A (Cont.)

"of school accommodation in these districts quite similar to that in Edmonton.

In Beverly there is no accommodation for pupils in Grades IX to XII inclusive. These pupils now attend school in Edmonton as non-residents.

In Jasper Place the high school accommodation and facilities are not as good as they are in Edmonton. Without doubt there would be an immediate request for a new high school in this district, or for the Jasper Place high school pupils to attend high school in Edmonton.

If -- "

Now, I put in an "if" here because I could not, I am unable to find definite information on this.

"-- the Salisbury High School is located outside the Greater Metropolitan Area, there will be no provision for the high school pupils in the area of the Clover Bar School Division that would be included in the Greater Metropolitan Area."

And I refer to the part southeast of the City here.

"Approximately 400 elementary, 70 junior high and 30 senior high school pupils reside in this area. Hence, provision must be made to provide accommodation for all the high school pupils and some of the junior high school pupils residing in this area."

That is, if the amalgamation took place.

A (Cont.)

" If the fringe areas become part of the City of Edmonton to constitute the Greater Metropolitan Area educational costs will rise.

The Gertler Brief points out that:"

Now, this is the brief of about two years ago.

"(1) The streets in Beverly and Jasper Place are not properly built or maintained; policing, fire protection, garbage collection etc., are inadequate. If more money is used for these services, the amount available for school purposes would be reduced, with the result that the educational facilities would be entirely inadequate.

(2) The communities of Jasper Place and Beverly are unable to provide educational facilities equal to those offered in the City of Edmonton. On the other hand the revenue from that portion of the Clover Bar District included in the Greater Metropolitan Area would assist in providing adequate educational facilities for Beverly and Jasper Place.

(3) Owing to the large industrial development that has taken place, and which without doubt will take place, in the Clover Bar District to the east of Edmonton, there would be more funds available to provide adequate educational facilities for the Greater Edmonton Metropolitan Area, without levying excessive taxes on any part of the district.

A (Cont.)

"(4) The problem is not to be solved by reducing educational requisitions but by increasing municipal revenues.

In the opinion of the Edmonton Public School Board it would be advisable to have all the Protestant schools in the Greater Edmonton Metropolitan Area under one school board, provided a satisfactory arrangement could be worked out whereby

(1) the citizens in Edmonton will not be required to pay heavier school taxes than they do now,

(2) there would be one Public School Board and one Separate School Board for the Greater Edmonton Metropolitan Area,

(3) the salary schedule of the Edmonton Public School Board would prevail throughout the Greater Edmonton Metropolitan Area for Edmonton Public School Board employees,

(4) the Protestant members of the teaching staff now employed in the schools in the Greater Edmonton Metropolitan Area would be permitted to keep their present positions,

(5) no separate Superintendent would be required for the present districts of Beverly, Jasper Place and Strathcona -- "

That is the part to be included.

A (Cont.)

"-- as they would all be under the jurisdiction of the Superintendent of the Edmonton Public Schools.

All of which is respectfully submitted on behalf of the Edmonton Public School Board."

THE CHAIRMAN: Will you just be seated, Mr. Sheppard, please?

A I beg your pardon?

THE CHAIRMAN: Will you just be seated, please? This will be number 40E.

BRIEF PRESENTED BY THE EDMONTON PUBLIC SCHOOL BOARD AS READ MARKED EXHIBIT 40E TO THESE PROCEEDINGS.

THE CHAIRMAN: Now, we are ready for any cross-examination. Mr. Garside?

MR. GARSIDE EXAMINES THE WITNESS:

Q Mr. Sheppard, can you give us any figures as to the cost of educating a high school student?

A In the City of Edmonton?

Q Yes, please?

A The cost of educating pupils in Edmonton, and I am giving these figures for last year, for the elementary was $180.75 per pupil, for the junior high school $225.54, for the senior high school $383.97; the average, $216.31.

Q Have you any figures of a similar kind for Beverly and Jasper Place?

A In the case of Beverly, there would not be any comparative figures except indirectly. The Beverly junior and senior high school pupils are now accommodated in Edmonton. At the present there are 37 junior high school, 57 senior high school pupils attending our schools, and the fees which they pay do not nearly cover the expenses: for elementary they pay $135.00, for junior high school $150.00, and for senior high school $175.00.

Q The brief you have presented here was approved by the School Board itself, was it?

A I have to answer that just a little indirectly because I prepared the brief, there has not been a meeting of the Board of all the, an official meeting of the Board, but there was a committee meeting about a week ago and I submitted this brief and they said "That's fine", so that I would say it has been concurred in by the Board but not officially.

Q Yes, and the general purport is that you agree more or less with the brief that was put in by the City of Edmonton?

A In the main, yes.

Q And did you give any consideration to the actual limits of the proposed Metropolitan area?

A I could not find out enough information on that but from what I did get, Mr. Chairman, I would say it would be as I noted in the first part here:

> "-- that it will include Edmonton, Jasper Place, Beverly, that part of the municipality of

A (Cont.)

"Strathcona immediately southeast of the City, including the industrial plants and rural parts of Stony Plain, Morinville and Sturgeon in close proximity to Edmonton."

That is including Edmonton, Jasper Place, that is all of the town of Jasper Place, all of Beverly, and that part of the Municipality of Strathcona immediately southeast of the City including the industrial plants, and that part of Stony Plain, Morinville and Sturgeon just along the fringe in close proximity to Edmonton.

Q That would be the area that you would choose if you were to, and the School Board would choose as the metropolitan area, is it?

A I assume so, yes.

Q May I look at that?

A Yes, by all means.

Q You mentioned a moment ago that you charged much less to the municipal districts surrounding and communities for educating their children than the cost to the City; now, can you give any reason why that is so?

A I am speaking here without black and white figures in front of me, but probably some members here could check me on that. According to The School Act it is permissible to charge non-resident pupils only a certain amount. For example, in the elementary we can only charge $50.00 a year fee; on the other hand, it costs us $180.75. In the case of the arrangement with Beverly, that is made under a part of the Regu-

A (Cont.)

lations of the Department of Education whereby an arrangement may be made with another School Board to educate their children, and we have always been sympathetic to the children adjoining the City and we know that we are not charging what the cost is. For example, in the senior high school where the cost is, where the fee is $175.00 itactually, our actual cost is $383.97.

Q When I heard the School Board representative speaking in Calgary to the Commission I understood that one of the matters that they gave consideration to was the fact that, supposing there were 30 pupils coming from any one district, they would not necessarily go to one school, you would not have to build a special school for them, they may be scattered among different schools, would that be the case here?

A That would apply to a certain extent here, to a great extent here; and, of course, in planning our schools we take the grand total enrolment into consideration and to a certain extent what you say is correct, to a limited extent it is not the case but in the main I would say that situation holds.

Q Thank you.

THE CHAIRMAN EXAMINES THE WITNESS:

Q Mr. Sheppard, did you say that the fee for non-resident children of elementary, on the elementary level is $135.00?

A No, $50.00. Now, are you referring to what the

A (Cont.)

government lets us charge?

Q I am referring to what you said you did charge?

A Well, no, we charge $50.00 for an elementary non-resident pupil.

Q Oh, and --

A And the actual cost to us is $180.75.

Q Did you not include the figure $135.00 somewhere?

A Oh, we were referring to two different things, may I just comment, with regard to Beverly --

Q Yes?

A -- there is an arrangement between the two Boards whereby Beverly, for the elementary pupils, to pay $135.00, for the junior high $150.00, and for senior high $175.00.

Q Right.

A But I am thinking of a person that comes in from Kalamazoo.

Q Yes, I was trying to compare, as Mr. Garside suggested, your charges with the ones that we heard in Calgary, and my recollection was it was $100.00, $150.00 and $175.00. I have just checked it in the record of proceedings and I find that is correct.

A This is an arrangement, Beverly is practically the only place we have an arrangement.

Q That is all right, I just wanted to check.

MR. MOFFAT: Mr. Chairman, I wonder if I could ask one question to clarify one point?

THE CHAIRMAN: Yes, Mr. Moffat.

MR. MOFFAT EXAMINES THE WITNESS:

Q Mr. Sheppard, you quoted the figures of 400 elementary students, 70 junior high and 30 senior high students in the surrounding area; I wonder if you could define exactly what you meant there, was that the area completely around the city or were you referring only to the industrial area of Strathcona, I wasn't quite clear which it was you had in mind on that point?

A Mr. Wagner, my assistant, gathered these figures for me; I see Dr. Jonason from Strathcona district is here: the impression I have and I am subject to correction here, that the 400 elementary, 70 junior high and the 30 senior high school pupils reside in the area southeast of the City in what would be the metropolitan area.

Q Yes, that is what I wanted to clarify.

A That is the impression I have.

Q That is what I wanted to clarify, whether it was that area or whether it was the area completely around.

A You see, the reason I put that in is I understand that the Salisbury High School was built just outside of what would be probably the greater metropolitan area, and if it ever should come in they would have a school and we would have the pupils; now, that is an opinion, of course.

Q One other question, I was asked this morning, and I might ask you and see if you have any different

Q (Cont.)

answer from what I had; do you have any opinion as to the extent to which this growth in the student body in the schools can be attributed to the new oil and chemical industries and to what extent it might be attributed to other factors?

A I would have to, Mr. Chairman, just make a general comment on that, but I do know that there are a large number of children, a large number of people who work either at the refineries or the industrial plants to the east and reside in Edmonton, and their children attend our schools, what percentage I am unable to answer.

MAYOR STONE EXAMINES THE WITNESS:

Q Mr. Chairman, I would like to ask one question. Mr. Sheppard, where did you get the figures as indicated in your brief which would show that the facilities in Jasper Place are not sufficient to actually, to supply the housing for the children at Jasper Place at the present time?

A May I just divert a second? Mr. Wagner, do you remember where we gathered those figures, I know we made a survey, do you remember the exact location, did you call Dr. Willis, or how did we get that?

MR. WAGNER: Well, we got the statement from Dr. Willis and we got one from Dr. Jonason and one from --

A I would say that my assistant, Mr. Wagner, contacted the Superintendent in Beverly, in Strathcona and

A (Cont.)

Jasper Place, and as a result of the figures which we got, as a result of that survey, that was the general information.

Q I would just like to point out, Mr. Chairman, to Mr. Sheppard -- I don't wish to contradict any statement that is made -- that is not the case in the Town of Jasper Place at the present time. We have sufficient rooms to house all the children that are going to school there and also in the high schools, and there is a program on now for another twelve-room school which in my opinion and the opinion of Dr. Willis will handle the situation at Jasper Place for the next eight years.

THE CHAIRMAN: Well, Mr. Stone, you will have ample opportunity to bring that out when your School Board presents its brief and is subject to cross-examination.

A Well, my comment, if I may read from what I have here:

> "In Jasper Place the high school accommodation and facilities are not as good as they are in Edmonton."

Now then, I doubt if your high school facilities, I am not referring to the teaching staff in the least, I am just referring to the science lab, the wood-working shop, the electric shop, the machine shop, my comment is that those facilities in my opinion at least are not as good in the Town of Jasper Place

A (Cont.)

as they are, say, at Victoria Composite High School.

THE CHAIRMAN: Dr. Jonason, you have not been identified yet, have you, in this?

DR. JONASON: Not as yet. I was just wondering, I was wondering if at this point I could ask a few questions?

THE CHAIRMAN: You will be appearing later, presumably for the Board of the Clover Bar School Division.

DR. JONASON: That's right.

THE CHAIRMAN: I will recall Mr. Sheppard then, if you need to.

DR. JONASON: Thank you.

MR. HAWKINS EXAMINES THE WITNESS:

Q I would like to ask Mr. Sheppard how many children from the Clover Bar School Division are going to the City schools at the present time?

A I am unable, Mr. Chairman, to answer that question but the number is very small; the Strathcona District opened the Salisbury school about a year ago and the number is very small.

Q I would like that clarified because I believe Mr. Sheppard made a statement and it might be construed that it was 400 children from that area going to City schools.

A No, and you notice I emphasized, Mr. Chairman, that point very clearly, I said, and I will read verbatim:

A (Cont.)

"If the Salisbury High School is located outside the greater metropolitan area -- "

it is just at the corner, you know where it is. Now then, if the metropolitan area boundary line comes, we will say, just nearer Edmonton than that so that is out --

"-- there will be no provision for the high school pupils in the area of the Clover Bar School Division that would be included in the greater metropolitan area."

Now, it was just that one part to which I referred.

Q So that there is very few children from the Clover Bar School Division going to City schoolsat present?

A Very few.

Q Very few?

A Very few, I would say, and again I have to make an opinion, we are operating the Braemar school just east of the City and I think there are about 25 who are now in the, 25 or 30 who are now in that district who are attending the Braemar school which we are operating, but the number is comparatively limited, one room would do.

Q So that the reverse of that, there are probably more children from the City going to school in the Clover Bar area than there are children from the Clover Bar area going to the city schools?

A No, I would not agree with that. As far as I know there are no pupils now in the City of Edmonton

A (Cont.)

going to the Clover Bar schools.

Q What about the children that live in Terrace Heights going to the Braemar school?

A Well, that is our school, we are operating that school.

Q I didn't say whose school it was, I said "in the Clover Bar area", that school is still in the Clover Bar area, isn't it?

A Oh, yes, it is in the Clover Bar area, but we are renting the school and operating it and paying the teachers and everything, that is Clover Bar owns the school, we are paying for it and I think we are paying a good handsome rent for it also.

Q But the point I am getting at, sir, is the school itself is in the Clover Bar area?

A It is, yes, and may I note, Mr. Chairman, that the highway number 16 is going to be diverted in about one to two years, and as I understand it from Commissioner Dant when that diversion takes place the Braemar School may not be in the Clover Bar but in the Terrace Heights division. Now, that is only an opinion and given to me by Mr. Dant.

MR. GARSIDE: Now, there is another question I would like to ask you, Mr. Sheppard. You spoke in your brief of the persons who may be brought into the City, or rather the metropolitan area, expecting the same standard of education as is given to the citizens now; and that this involved extra cost: have

Q (Cont.)

you made any attempt to indicate what those extra costs would be?

A Well, I felt, Mr. Chairman, it would be impossible to do that. For example, if we had to provide home economics and industrial arts centres in Beverly where there is not even a high school at all, or in Jasper Place where the facilities are not the same as what we provide in the City without doubt the cost would be higher, but to what extent I would be unable to say, but I imagine it would be reflected to quite an extent in the difference in the cost of educating a pupil in Edmonton and in the cost of educating a pupil in the respective districts.

THE CHAIRMAN: Dr. Jonason, the members of the Commission feel that the cross-examination would be more informative if carried on at the present time, so if you will just identify yourself, you may question the witness in any way that you wish.

DR. JONASON: Mr. Chairman, for the information of the Commission and the gentlemen here, I am the Superintendent of the Clover Bar School Division.

THE CHAIRMAN: And your initials?

DR. JONASON: J. C. Jonason, and I have been authorized to represent the Board of the Clover Bar School Division at this hearing. May I at this time convey the regrets of our Chairman, Mr. Hennig, who was to be here as well to represent the Board. He is unable to be present, he is engaged in harvest work and I am

DR. JONASON: (Cont.)

sure the Commission understands how urgent it is for him to do that.

THE CHAIRMAN: Yes. Now, you go ahead with any cross-examination you wish.

DR. JONASON EXAMINES THE WITNESS:

Q Yes, well, I just wish to ask one or two questions at this stage, sir, inasmuch as I know that the Board will be making, the Edmonton Public School District will be making further presentations at your November hearing. I was just wanting to ask Mr. Sheppard this question: is he in agreement with the statement made by Mr. Moffat, I believe yesterday, that any new arrangements made at the present time should be such that it would not be necessary to have any further arrangements for another generation or so, possibly 35 years, I think was the figure given?

A Well, Mr. Chairman, I didn't hear the discussion yesterday. That is a very difficult question to answer. I realize that everything is in a process of change the same as it was in the days of Heraclitis and it would be very difficult for anyone to say in 1954 that what seems to be wise now has got to be absolutely effective in 19 -- did you say 35 years, whatever that is, 1989; but I would think serious consideration should be given to any plans or policy that is inaugurated now, but whether it should last for 35 years, I would not venture to answer.

Q Well, the purpose in asking that question was this, you outlined the boundaries of the, of your proposed metropolitan school district, if we may refer to it as that, and you said it would be about a mile east of the industrial area, is that right, or would it correspond roughly to what has been shown on the maps as the green belt?

A Mr. Chairman, my idea was, I had a map prepared about two years ago when I gave a little talk on this, I had a map prepared by Mr. Dant, and it was that green belt, I guess you would call that, I would say it went about a little bit east of Clover Bar, a little bit north of the City, on the west about a mile, shall we say, west of Jasper Place, and on the south, a bit south of the drive-in theatre. Now, that is speaking very generally without the map in front of me, and I would like, you have seen that map?

Q Yes?

A And that was the map to which I referred.

Q All right. Now, you have some knowledge of the industrial development that has taken place within the last few years just east of the City; would you venture to predict that that industrial area might extend a considerable distance further to the east and north possibly?

A I would say, Mr. Chairman, that it is quite probable that it might. Now, that is only a humble opinion.

Q Yes, all right, and if it were to expand another say five miles, would you say that when such an extension took place that it would be desirable to have a realignment of these school division boundaries, so as to include that industrial area?

A Well, Mr. Chairman, my comment of a few minutes ago, I mentioned that serious consideration should be given to every point such as this before a policy was laid down, and if it would appear that this, shall we say, greater metropolitan area, this industrial development, if it would appear that the industrial development will take place, say, half way between Clover Bar and Fort Sasktachewan, probably the boundary should be set at that time, a little east, or right now a little farther east.

Q And that was the point --

A I mean it is hard to predict what will take place then.

Q That is the point I wish to establish, that instead of doing it piece-meal, if we are going to do it we should try to determine what is the community that should be served by this greater metropolitan area, and I believe that to set it just a mile east of the present industrial development might not be showing sufficient forethought. Now, the question is, would it be impossible to embrace an area such as the Strathcona municipality and the Sturgeon School Division, we'll say, and the Stony Plain within a scheme such as you propose; what would be the dis-

Q (Cont.)

advantages in having a rural area associated with an urban area?

A May I see if I understand your question. Mr. Chairman, is the question this, am I asked whether in my opinion it would be advisable to have the Edmonton Public School Board control the schools that reached on the west possibly out to Wabamum, I don't know just where you are suggesting, on the south to Millet, I don't know, south to Millet, on the east to Fort Saskatchewan and on the north to --

Q Bon Accord?

A What place?

Q Well, Redwater, if you like.

THE CHAIRMAN: Mr. Sheppard, I think we could define this a little more definitely than that. Your question was the municipality or the school divisions of Clover Bar and, I have forgotten the name now, Sturgeon and Stony Plain; did you mean in the question the entire area of those subdivisions, of those divisions?

DR. JONASON: Yes.

THE CHAIRMAN: Dr. Jonason --

DR. JONASON: I am just wondering whether it would be possible.

THE CHAIRMAN: Then, Mr. Sheppard, that is a much larger area then you are thinking of.

A Yes, my comments, I would hesitate to express an opinion on that, Mr. Chairman, but my comments referred to the areas in close proximity to the City

A (Cont.)

but with Edmonton, Jasper Place, Beverly, definitely included, and the part of the Strathcona District to which I referred. I would not like to go and say what should happen with regard to twenty miles out in each direction.

Q DR. JONASON: Well, we'll just leave it at that point. I am just making the suggestion that it would be well to consider a larger area perhaps than what you have indicated that should be included in such greater metropolitan school district. You made mention, Mr. Sheppard, of the fact that the school facilities in the areas adjacent to the City cannot be considered comparable to that of the City of Edmonton. That is, the advantages of the urban pupils are superior to those of the rural pupils?

A I said, "within limits", I think I put a phrase in there, "within limits", and it didn't apply to the teachers at all.

Q No.

A But in many cases, and I think you are referring to Mr. Stone's question, the facilities for shop work, our machine shop and electrical work and so on, are higher, are on a more elaborate make-up than what they are in the fringe area.

Q Yes, but the point is that from the standpoint of physical set-up, the pupils in the urban area, or, well, in the City of Edmonton, have better results than they have in the rural districts particularly?

A Of course, Mr. Chairman, in that connection we have quite a large number of small schools in Edmonton and I could mention them, where they are probably not as good as they are in Clover Bar.

Q That is the best schools in Clover Bar. Now, I do not wish to prolong this, there is just one other question that I would like to raise and that is this: with regard to or --there may be two, another question arising out of this -- but with regard to the fringe population immediately south of the City and to the east, is it right that the schools within the City of Edmonton are overburdened now, that it is necessary to have several classes, a sort of shift or double shift system, in fact, three shifts a time, in order to accommodate these pupils right within the City of Edmonton, is your plant overtaxed now to serve the needs of the pupils who are now resident in the City of Edmonton?

A I would answer that this way, Mr. Chairman, the Edmonton Public School Board for the last three or four years has had a very large building program, we are gradually overtaking the lack of suitable accommodation. Last year at this time we had 73 groups of pupils on a double or triple shift, today we have 31 groups. I have my building program now written for next year, and it will not be long until double shifts, triple shifts, basement rooms, will be a thing of the past.

Q Were you to undertake to provide educational

Q (Cont.)

facilities for the pupils of the fringe areas would it impose, however, an additional burden at this time to the City of Edmonton?

A From what Mr. Stone says, as far as Jasper Place is concerned, there are, there is no shortage there; the pupils in your district are already accommodated, and Beverly pupils are either accommodated in the Beverly schools or in ours, so that I doubt if it would have any serious effect. Where the effect would come would be if we had to build different and better types of school. You have got room now for your pupils the same as we have for ours, and we have limited it to 31 groups in 950, it is a very small percentage, we have 951 groups.

Q However, if you were to establish a fringe area which would cut off some of these schools they are presently attending it would mean that those pupils on the fringe area, particularly to the south in the Oliver district and inthe South Edmonton district would have to go to the adjacent schools in the City limits, wouldn't that be the case?

A Well, I would want to know what the boundaries are before I could answer a definite question, that specific question. It might be, and I will give you an illustration, at Lauderdale, right to the north in case you are not familiar, we have an eight room school there but we are only using four classrooms for our own pupils. It might be with the

A (Cont.)

district to the north there coming in, we would have accommodation there for one or two years.

Q Thank you.

THE CHAIRMAN: Dr. Jonason, would it not be possible to do, make the same arrangement, I mean as a temporary arrangement, if such a thing as Mr. Sheppard spoke of should come about, would it not be possible temporarily to rent or in some way enter into an arrangement with the Clover Bar School Division to use the present schools where the children, as I understand it, are comfortably housed, and well taken care of, for at least until the City had an opportunity, or the growth along the boundaries of the present Clover Bar School Division required additional accommodation, would that not be possible?

DR. JONASON: Mr. Chairman, I would say "Yes". Our relations with the Edmonton School Board have always been very cordial, very cordial, and there is the case in point where we are already renting them a building of ours.

THE CHAIRMAN: Yes.

DR. JONASON: I do not wish to suggest in any way when cross-examining Mr. Sheppard that we are at cross purposes at all.

THE CHAIRMAN: You have not given that impression, Dr. Jonason, with this Commission, I might say. Dr. Jonason, just as a matter of information can you tell us if the, have you the suggested boundaries

THE CHAIRMAN: (Cont.)

of the Clover Bar School Division if, which are suggested by the Co-terminus Boundaries Commission?

DR. JONASON: Mr. Chairman, in our brief no reference is made to that --

THE CHAIRMAN: No.

DR. JONASON: Because I did not know whether we were at liberty to disclose any information there and I would prefer not revealing anything of that kind if I might be excused.

THE CHAIRMAN: Surely, yes, I was just merely asking if you were at liberty to?

DR. JONASON: I have not received any clearance from the Co-terminus Boundary Commission to do so.

THE CHAIRMAN: Thank you very much, Mr. Sheppard. In any case, at the moment on the south and east of the City of Edmonton, the boundaries of the Edmonton Public School and Separate School Districts are co-terminus with the Clover Bar School Division?

DR. JONASON: Yes, sir.

THE CHAIRMAN: Mr. McKenzie?

MR. McKENZIE EXAMINES THE WITNESS:

Q Mr. Sheppard, it would help Dr. Mayo quite a bit in his preparation of certain statistical information if we could have entered as exhibits here annual reports of your School Board back, say, as far as 1951.

MR. McGRUTHER: We have got them.

A I just have last year's one here.

MR. McGRUTHER: We have got that.

A Oh, you have it now?

MR. McGRUTHER: City Commissioner Tweddle supplied them.

MR. McKENZIE: The School Board reports?

MR. McGRUTHER: Yes.

THE CHAIRMAN: Do you wish to have them entered as exhibits?

MR. McKENZIE: I think perhaps we should probably have them, sir, but if we have them --

A Am I to assume I don't need to do anything in that connection then?

MR. McGRUTHER: I have one copy of each, '51, '52 and '53.

MR. McKENZIE: We would like to have some additional copies.

THE CHAIRMAN: Exhibit 41E, reports of the Edmonton School, Public School District for what years?

MR. McKENZIE: '51, '52 and '53.

A '51, '2 and '3.

MR. McKENZIE: Yes.

ANNUAL REPORTS OF THE EDMONTON PUBLIC SCHOOL BOARD FOR THE YEARS 1951, 1952 and 1953, ARE MARKED EXHIBIT 41E TO THESE PROCEEDINGS.

A How many copies?

Q MR. McKENZIE: Half a dozen copies?

A I suppose, that is I think we have that many, there have been a number of requests for them, we only

A (Cont.)

printed so many, I suppose -- suppose I should only have two, I mean I will give you what I have got.

Q Whatever is convenient, sir.

A Thank you.

Q Thank you.

THE CHAIRMAN: You don't need to print another one overnight.

Q MR. McKENZIE: I am just trying to ascertain what the position of your Board is, sir, in connection with this problem.

THE CHAIRMAN: Mr. McKenzie, would you allow me to say this to Mr. Sheppard, if you can secure more than the two that you know about --

A I think we can get the six but I am not sure.

THE CHAIRMAN: If you can pick them up anywhere we would be undertaking to return them at the conclusion of the hearing.

A Thank you.

THE CHAIRMAN: Go ahead, Mr. McKenzie.

Q MR. McKENZIE: That is all right. I was going to say, I take it that the basic position, basically your position is that if the City spreads as it is advocating in its recommendation to this Commission, that your Board is prepared to go along with it and supply service in the incorporated areas, and your brief is simply pointing out the sort of difficulties you would encounter in that process?

A I think that is a correct statement.

Q Do you see any particular advantages or disadvantages in the proposed metropolitan development on its merit from the point of view of the School Board rather than just simply saying "If it happened we can do this and these are the problems", do you think it would be a good thing to happen or a bad thing?

A You will note, Mr. Chairman, that I put in:

> "In the opinion of the Edmonton Public School Board it would be advisable to have all the Protestant Schools in the greater Edmonton metropolitan area under one School Board, provided a satisfactory arrangement could be worked out whereby -- "

that is, we favor it providing that our taxes do not go up. That is, I can imagine that by virtue of Jasper Place and Beverly getting a much larger percentage of their taxes for school purposes, that the provincial government, I don't think the provincial government would, but they might say, and I put a very hazy "might" there, "well, we'll just give to the greater Edmonton now the same percentage we did in 1953, to Edmonton", in which case we would probably have to bear a higher rate of taxation for school purposes, so that I put in there that we think it is a very good idea --

MR. BLACKSTOCK: Is that a pious hope?

A -- if the citizens of Edmonton will not be required to pay heavier school taxes. Have I answered your

A (Cont.)

question now? I think it would be advisable.

Q MR. McKENZIE: Were you here this morning, Mr. Sheppard?

A No, I was not.

Q There was a possibility explored just briefly and I will run over it; there is a system of government in force in some parts of the province known as the county system, and I was asking Mr. Moffat this morning, on the basis of there being a larger metropolitan area to which The City Act would apply, The City Act as such would apply so far as powers were concerned, if the form of government that is used in the county system might be appropriate for that larger area. Now, here is the thing, the only difference I can see between the ordinary municipal administration and the county administration, no difference in powers, simply the fact that a school committee or a public school committee, say, would have sole jurisdiction over all administrative affairs relating to public schools in the larger district, with the sole differencebeing that instead of simply requisitioning on the municipal authority it would submit a budget to the municipal authority as would the municipal committee and the hospital committee and the other committees, and having one over-riding authority in much the same fashion as the provincial Cabinet occupies with relationship to the departments of that government: would you care

Q (Cont.)

to express any opinion on that form of government?

A Mr. Chairman, in The County Act, as I understand it, there are restrictions whereby a school board cannot requisition beyond a certain percentage of an increase over that of the previous year. Personally, and this is over, my opinion is based as far as the Edmonton Public School Board goes, over a number of years as an observer, as a teacher and a number of years in the central office, but I think it is advisable for the Edmonton Public School Board to have the same authority as it has now with regard to expenditures; as a matter of fact, I cannot agree, I am expressing my own view now, this has never been discussed by my trustees, but I think we are an autonomous body and I think we should remain as such. Have I answered your question there?

Q Yes. I have no further questions, sir.

COMMISSIONER HAYES EXAMINES THE WITNESS:

Q I wanted to ask a question, I see here where you say it costs the City of Edmonton approximately $30,000 per room, and on the fringe areas $18,500; does this indicate extravagance or just that you are easy to get along with?

A No, Mr. Chairman, I will be very definite on that. What it does represent though, is this, and don't think I am casting the faintest reflection on any rural school or any school that has been built in a

A (Cont.)

town, but when we build a school of eight rooms we call it an eight-room school, but we have a general purpose room where the pupils go in for some music, or for library work, and we have the teachers' offices, we have the play rooms, and in the larger schools we have an auditorium or a gymnasium or an auditorium and gymnasium combined. Now then, we are building portables, we built nineteen this year, for $7,600 each, but two or three things will happen; in the case of the school which we are building for $30,000 a room and I can give you figures, or at least I can give you comments, not exact figures, which will verify this statement -- the maintenance on that building is small. If you build a frame building where cheap construction is put in, where the ventilation probably is not satisfactory, your maintenance will be high, and I will just give you one illustration on that latter point, and I will refer to the school in Edmonton, my figures will not be exact but they will be relatively correct. The Westglen high school was built about 1940, there was a possibility of an injunction being taken out at that time as to whether the Board could spend certain monies which it had to build the building. I had recommended a school much better than that; my first -- it had to be chopped down and chopped down and so on, and as a result of that school built at the reduced price, it was about $169,000 for a twelve-room school,

A (Cont.)

we had no sooner got it built and occupied than pupils complained there were drafts, and we had to fix up the windows; the ventilation was no good, we had to spend, I think it was about $15,000 on the ventilation; then if you passed it, there were considerable cracks in the walls, they had to be fixed up. Now, in other words, those figures are relative, but it shows that the maintenance is high if you do not build a substantial building. Whereas if you put this extra money and build, shall I term it a good building to start with, your costs of maintenance are much less, and then we have the teachers' room and the staff room and the library, the gymnasium, which are not counted as classrooms. Have I answered the question there? So that if you took the floor space and the cost per square foot the difference would probably not be so great and I will give you another illustration. At the Trustees' Convention, some of you probably were there, in Calgary last year, a trustee from Winnipeg noted that in the City of Winnipeg they were building classrooms or school rooms in which the classroom cost around $15,000 per room. Our trustees naturally were greatly interested. We made checks and we found two or three things; in the cost of that school there was no provision made for the site, and in the City of Edmonton we have to pay, as a matter of fact, just two weeks ago we paid $6000.00 an acre to the City

A (Cont.)

of Edmonton for acreage away south of the Hazeldean-Ritchie school, all right, there was $25000.00 for the site, that is almost a room. Let me see, what was I after on this -- oh, yes; we put a fence around the school so that the pupils are not running out and getting hit with a truck; we grade the school grounds; we equip the school. Now, our cost includes the site, the fencing, the grading, the equipping, everything right for you to walk in. Now, some of these quotations as the one to which I referred to of Winnipeg and which we checked later, it just included the bare classroom walls and when we checked on them they were not what you would term, they agreed with that with us when we discussed it, that it was not very much.

Q All things being equal there is not this differential in the cost of the schools per room, all things being equal, it is only when you provide extras that your cost is higher?

A I would say extras plus, I think, a little better standard of construction.

Q Well, would you say that if they were similar the costs would be the same?

A I am not quite certain on that, as to whether the cost for a laborer, for a carpenter, per hour in the fringe areas is exactly the same as it is in Edmonton, I don't know that. I couldn't answer that.

COMMISSIONER DAVIES EXAMINES THE WITNESS:

Q Mr. Sheppard, having regard to the terms of reference, I am very interested in hearing evidence as to the question of the relationship between school costs and the adequacy of the sources of revenue in Calgary and Edmonton to discharge their statutory responsibilities under The School Act; and to follow that up, according to the City's financial statement of the year 1953 the School Board portion was 31.65 mills out of a total levy of 62.5 mills. Are you in a position to submit any evidence to the Commission as to the relationship between the total mill rate and the portion for school purposes in various cities in different parts of Canada, with a view to ascertaining as far as I am concerned, whether or not the proportion is very unduly high here?

A I am unable to answer that, Mr. Chairman, but at least until a year ago, and Mr. Garside could check me on this, in taking the mill rate the Edmonton Public School Board gets no credit for revenues received from, we'll say, the telephone department, the waterworks department, the street railway department and so on. At one time those, shall I term it municipal organizations, contributed in round figures one million dollars to the taxes of the City of Edmonton, but the Edmonton Public School Board didn't get one cent of that. Now, I am not prepared to say whether at this date that is correct or not but had we received a goodly share of that in proportion to

A (Cont.)

our mill rate, our mill rate would have been less and the City's rate would have been up. Now, Mr. Garside or somebody can answer whether that is in existence in 1953, but it was a few years ago.

Q Would it be possible for you to assemble material and submit it to us, whether it comes through the Edmonton Public School Board or from its financial adviser here, material that would indicate the relationship between what the school costs absorb and in terms of what is left in the total mill rate in other areas in Canada?

MR. MOFFAT: I was going to suggest, sir, that the Dominion Bureau of Statistics puts out a breakdown of all municipal expenditures, classified by the different purposes for which it goes, one of them being the amount the municipalities pay for school purposes. Now, that is available, I don't have a copy right here but it is available on the basis of showing totals for all Canada and totals of provinces in that. Now, whether you would want something beyond that or not I am not sure, but I am quite confident that that could be secured without too much trouble.

MR. DAVIES: For example, Mr. Moffat, a survey of the Citizens' Research Bureau which is in the eight-months Edmonton statement to the end of August 1953, deals with the per capita debt of cities and Edmonton is at the top there, $254.48.

MR. MOFFAT: Yes.

MR. DAVIES: Does the Bureau, the Citizens' Research Institute of Canada, does it in its series of statistics give any of this type of information?

MR. MOFFAT: So far as I am aware they do an analytical job primarily of Bureau of Statistics tabulations. We could inquire whether they have done it but mainly I think they depend on the other basic material.

THE CHAIRMAN: Mr. Davies, perhaps Mr. Moffat or Mr. Sheppard or somebody or any person who might think they knew of sources from which this information could be got, might be prepared to bring that to the Commission on Monday. Could you examine those Bureau of Statistics and Citizens' Research reports?

MR. MOFFAT: Not by Monday, I am afraid, sir.

THECHAIRMAN: Oh, well, I won't say Monday.

MR. MOFFAT: I was going to suggest though that a circular letter to half a dozen cities would produce financial reports of the cities very quickly, and each of those will show the amount that goes for education, either by way of requisition or whatever arrangement they have in those cities, so that that plus the Bureau of Statistics should do it, I would think.

A Mr. Chairman, I assume Mr. Moffat will be willing to carry that out. May I suggest in so doing you make clear that point to which I referred, for example, if the City of Edmonton secures a million dollars in

A (Cont.)

taxes or in revenue, whatever it is, from the telephone department and so on, and of which the School Board gets nothing, a reference should be made to that because in a number of cities they do not have that source.

MR. MOFFAT: The City Treasury officials who prepare these financial statements do the same thing in every place, I think, they are all that way as far as I know, and it is common practice amongst all the City financial statements that I have looked at.

A But the difference is, Mr. Chairman, that in some places the City does not own, take in Victoria, there is the B.C. Electric, it is not a city owned utility.

MR. MOFFAT: Yes, where you have that the situation is a little different.

MR. DAVIES: Might I just follow this up a step or two further, Mr. Sheppard, on the question of your cost per pupil. Now, I have before me the figures you gave: $180.75, $225.54 and $383.97 per pupil cost respectively for the elementary, the junior high school and the senior high school; I assume those are gross costs?

A Those costs, Mr. Chairman, those figures are obtained by taking the teachers' salaries, the caretakers' salaries, the maintenance, and what we have to pay each year as an amortization on our debt, it does not include the capital expenditure for that year but

A (Cont.)

if we have to pay $100,000 on a debt that was incurred in building a school five years ago, it includes that.

MR. DAVIES: Well, as a member of this Commission, if I am going to be in a position to make comparison costs with other urban centres in Canada, these figures would not mean a great deal to me unless I have the net cost because that would take then into consideration the nature of the treatment the urban area was receiving from the provincial authority in respect to the question of school grants.

A I will give you that, Mr. Chairman; the average, I mean I have it on the average from the government, last year our average cost was $216.31 per pupil, the grant per pupil from the government as near as I could figure it out, and I did that this morning, was $29.86. That is what we took there, the number of pupils and we divided that into the grant which we got from the government, so that would leave, what is the difference there --

MR. MOFFAT: If I could just interrupt for a second, these figures are on page 48 of the School Board annual report.

MR. DAVIES: That is the document that Mr. Sheppard is hoping to give us a couple of extra copies of?

A That makes the net, if my figures are correct, if my mathematics are not in error here, of $186.45.

THE CHAIRMAN: Mr. Sheppard, I think we will have to ask you to remain here for a time and the Commission will just take a break for a few minutes to rest the reporter. That will be ten minutes, that is three fifteen, and that means three fifteen.

(At this point there was a recess held).

THE CHAIRMAN: Now, we are prepared to go on with the cross-examination of Superintendent Sheppard.

MR. DAVIES: Might I, sir, just ask him a few more questions? When we adjourned the situation was, Mr. Sheppard, that you reported the net cost per pupil in the Edmonton Public School system for the year 1953 at $186.45, which figure was arrived at by taking the gross cost less the average grant per pupil?

A That is correct.

MR. DAVIES: Have you any information from any other cities in Canada on net costs for the city?

A I have not, Mr. Chairman.

MR. DAVIES: Have you any idea what the situation is in other centres such as Winnipeg, Regina, Toronto?

A I only have in a very hazy way, and that is by virtue of chatting, say, with the Superintendent from Toronto or Winnipeg at the conventions, but I haven't any figures that I could submit.

MR. DAVIES: Now, I just want to ask you one other question: at page 3 of your brief, item (4), I don't

MR. DAVIES: (Cont.)

understand the implications of this, and I wish you would explain it:

"(4) The Protestant members of the teaching staff now employed in the schools in the Greater Edmonton Metropolitan Area would be permitted to keep their present positions,"?

A The situation there, Mr. Chairman, is this: in the previous paragraph I had suggested that the educations of the pupils in this area would be under two boards, the Separate School Board and the Public School Board; there are doubtless in the fringe areas some Catholic teachers and some Protestant teachers and no teacher would lose his or her position, the Public School Board would maintain on its staff all the Protestant teachers, and the Separate School Board would doubtless take all the Catholic teachers. It is not the policy in the City of Edmonton for Roman Catholics to teach on the Public School staff or for Protestants to teach on the Separate School staff.

THE CHAIRMAN: Well, Mr. Sheppard, thank you very much, you are excused.

(THE WITNESS STEPS DOWN).

THE CHAIRMAN: And on behalf of the Separate School District of the City of Edmonton, Mr. Dechene, the Chairman, appears.

ANDRE M. DECHENE, Esq., Q.C., having first been duly sworn, testified as follows:

A Mr. Chairman and Members of this Commission, I wish to say before starting to read this short brief that Mr. A. A. O'Brien, the Superintendent of the Separate School Board, is present this afternoon, and might have been a better person to present the brief, and particularly to answer any cross-examination if it becomes too detailed, and I might have to ask your leave, Mr. Chairman, later on, to consult Mr. O'Brien before giving answers to certain questions.

" The following statement is presented by the Edmonton Separate School Board for the purpose of outlining its views in regard to the Metropolitan Development of Edmonton.

IT IS RESPECTFULLY SUBMITTED THAT -

1. providing the necessary reorganization can be brought about without requiring an undue sacrifice on the part of any of the municipalities or school districts concerned, it would be in the best interests of the whole Edmonton and suburban community to extend the city and city school district boundaries east, south, west and north. This extension -- "

And this is an assumption on our part --

" -- would involve the inclusion within the Edmonton muncipality, of Beverly and the industrial area east of the city, a

A (Cont.)

" strip south of the city, Jasper Place on the west and a strip just north of the city.

2. the Separate School Trustees consider their district would be called upon to assume an unduly heavy burden if, following the proposed amalgamation, there did not become available sufficient new revenue to finance the capital and operating costs of the schools required for the proper education of the Separate school population in the annexed areas. Should it appear, as negotiations proceed, that the additional revenue will not be adequate to meet these new costs, the Board will be obliged to oppose the reorganization.

The following arguments are presented in support:

Re Paragraph No. 1 (above)

A. Municipal and School finances of Edmonton and adjacent areas are at present out of balance, e.g. Jasper Place and Beverly depend almost entirely on residential assessment while the municipality of Strathcona (Clover Bar) has a very high commercial and industrial assessment. Under the proposed reorganization, revenues would be more equitably distributed, economic resources of the whole area would

A (Cont.)

be used to better advantage and consequently greater equalization of educational opportunities for the young people of the area should result.

B. Edmonton City schools are now called upon to provide educational facilities for large numbers of pupils whose families reside in the city but whose livelihood comes from the payrolls of the 'out-of-town' industrial concerns located east of the city boundary. The pooling of resources from the whole suggested metropolitan area would, to a degree, compensate the city school districts for the obligations they are called upon to assume as a result of the industrial development outside the city.

C. An extension of the municipal and school district boundaries, as suggested, would in all probability result in a simplified and more economical school administration for the whole area.

Re Paragraph No. 2 (above):

In view of the fact that the Edmonton Separate School Board has not been able to obtain, at this date, authoritative figures as to the increased revenue which would accrue to it by the suggested reorganization, it

A (Cont.)

"feels obliged to include in this brief the reservation set forth in this paragraph.

Respectfully submitted,

On behalf of the Edmonton Separate School Board"

Now, Mr. Chairman, if I may be allowed to express one or two remarks in conclusion in the presentation of this brief, I wish to refer once again to the request which you were kind enough to grant me at the opening of this session, that is, for leave to prepare a more complete brief at a later date. I think the conclusion I can draw from the brief which our Board has prepared is that we adopt generally the attitude of the Edmonton Public School Board and, mutatis mutandis, we agree with the submission which they have made. We have the same difficulty as they have, we foresee the same problems and we have in addition a problem which does not concern them so much, that rests in the fact that any increase in income which our Board will receive as a result of the enlargement of the City boundaries will in all probability be largely from taxes paid by corporations, and under The School Act, the Separate School share of corporation tax is very hard to determine or establish in advance.

One more thing that we agree with, which was stated by Mr. Sheppard, I think that the past history has shown the advantage of having co-terminus boundaries for both city districts, whether they include

A (Cont.)

rural areas or whether the city extends, we, I think both agree that we should follow the same boundaries.

Thank you very much.

THE CHAIRMAN: Thank you, Mr. Dechene. This brief now is entered as Exhibit 42E, numbered and filed with the secretary.

BRIEF OF THE EDMONTON SEPARATE SCHOOL BOARD MARKED EXHIBIT 42E TO THESE PROCEEDINGS.

MR. GARSIDE EXAMINES THE WITNESS:

Q Mr. Dechene, have you any figures such as those which were supplied by Mr. Sheppard showing the cost per pupil, high school, elementary school and such other figures as you have?

A I am afraid, Mr. Chairman, that I cannot give you the cost divided into the different categories of pupils, but our average cost over the whole system is approximately $160.00.

Q That is for all classes of pupils?

A For the elementary, junior high, and senior. Perhaps I might explain that the difference which appears to be quite high in the cost per pupil is explained or is accounted for by the fact that so far our salary schedule has been somewhat inferior to the Public Schools, and secondly, a large proportion of our teaching staff are religious persons who are not quite as exact in regard to salaries, that explains the great difference.

Q Now, could you tell me the number of pupils that are in your schools from areas outside the City?

A Approximately 60, Mr. Chairman.

THE CHAIRMAN: Excuse me, Mr. Garside, I am sorry, I didn't hear that question, I would like to hear it?

Q MR. GARSIDE: The pupils that are taught in the Edmonton Separate schools from outside the area?

THE CHAIRMAN: From outside the district, yes, thank you.

A And those 60, Mr. Chairman, are from all over the province, and not necessarily from the surrounding area surrounding the City.

Q MR. GARSIDE: And what do you charge per pupil to the School Boards or municipalities affected?

A Elementary, $50.00; junior high, $60.00; and high school, $125.00.

Q What is your opinion, Mr. Dechene, as to whether or not if the metropolitan district is established and you as the School Board, it has the same boundaries, as to the additional cost to your School Board in administering the affairs of the new district?

A Well, that, of course, Mr. Chairman, is a very difficult question to answer because it depends on so many factors which we don't have now. But we are very well, very much inthe same position as the Public School Board, and we believe that if the present grants to those areas from the provincial government were continued, we would still have an increase in the cost, in our overall cost, but it would certainly not be as high as it would be if the

A (Cont.)

grants in the new areas became the same as those which we receive in the present City areas.

Q Have you any information in your records which would indicate the extent to which the oil and gas industries have caused difficulties in connection with your school costs here?

A I don't think that we have any information as to direct, or as to difficulties directly attributable to the oil industry, except that the increase in population which may be accounted for by the oil industry is, has created some.

Q Do you think that is very considerably, the increase in population, due to the oil industry being established in this vicinity?

A I am afraid, Mr. Chairman, that I cannot, I can only give what might be called an educated guess, and I would say that perhaps fifty percent of the increase would be attributed to that industry; I really, I have no definite information on that.

THE CHAIRMAN: Roughly, Mr. Dechene, in the last, say since 1950, has your, the increase in enrolment in your schools about kept pace with the increase in the public schools?

A Just about the same, sir.

THE CHAIRMAN: Yes.

A Our increase this year is 771 at the end of September compared to the end of September, '53.

THE CHAIRMAN: Yes.

A We have a total of 6883 pupils in the system.

THE CHAIRMAN: That is about three times what it was in '47?

A Not quite that much, sir.

THE CHAIRMAN: Not quite, I am only just speaking from memory. Would Mr. O'Brien know that exactly?

MR. O'BRIEN: It has just doubled, Mr. Chairman, since 1944.

THE CHAIRMAN: Since 1944?

A Yes.

THE CHAIRMAN: Thank you. Mr. Moffat -- ?

MR. MOFFAT EXAMINES THE WITNESS:

Q I wonder if I could ask for the number of students in 1953 because I have been doing some of my calculations on the 1953 basis?

A In September 1953, at the end of that month the enrolment was 6112.

Q Yes, thank you; and one other question, you heard the question I asked Mr. Sheppard with respect to the number of students down in this area here to the south and east of the City; have you made any estimate of the number that you would have down in that same area?

A We have no accurate figures. We have, I don't believe we have any figures at all. We have no figures at all, in the Strathcona area we have no figures, the number would not be large.

Q Do you suppose it would be reasonable to suppose the

Q (Cont.)

same percentage as in the City generally and apply that?

A I would think, sir, that it would be, it would average out fairly well.

Q I wonder if I could just divert --

THE CHAIRMAN: Excuse me one minute.

MR. MOFFAT: -- to Mr. Sheppard.

THE CHAIRMAN: All right, then, I was going to ask him.

MR. MOFFAT: I failed to ask him at the time whether this was total or --

MR. SHEPPARD: I just wanted, Mr. Chairman, to make the comment that the figures that I gave included both Roman Catholics and Protestants because there is no separation in those districts.

MR. MOFFAT: Thank you, I just wanted to verify that so as to make sure where we were at.

THE CHAIRMAN: Yes, thank you.

MR. ROBISON EXAMINES THE WITNESS:

Q Mr. Dechene, there is one matter here in your brief I notice and covered and repeated in the last paragraph --

"-- has not been able to obtain -- "

Now, I don't suppose it is within your power to obtain those authoritative figures which I have in mind, but I assume that you are going to submit a further brief on November 22nd, is it possible that you can by that time get some leading information

Q (Cont.)

that would assist us?

A Well, sir, we will do our best. So many of the figures which concern us are already being obtained by Mr. Moffat and by other gentlemen representing interested bodies that we did not feel that we should go to the expense of hiring an economist to gather up a lot of figures. That is one thing that we still, we are not, we are still not too sure about.

Q Will you make another effort?

A We will make another effort, sir.

THE CHAIRMAN: Have you got your net cost per pupil after the --

MR. DAVIES EXAMINES THE WITNESS:

Q I understand the average you gave us was $160.00, Mr. Dechene, was that the gross average cost per pupil, have you got the completed cost after deducting the grants?

MR. MOFFAT: I wonder if I could interrupt again, sir?

MR. DAVIES: Yes.

MR. MOFFAT: Page 79 of the City financial statement gives the breakdown and you simply can apply it to the number of students, that is the reason why I asked for the number of students a minute ago, sir, so that I could apply it to that particular page.

Q MR. DAVIES: Do you know, Mr. Dechene, how your net cost per pupil compared with other Separate School Boards, other Separate School Districts in other provinces in Canada?

A I am afraid we do not, sir. That again is something that we may be able to obtain for the adjourned hearing.

Q You see, there is a wide divergence in the way schools are treated in the different provinces in Canada, and under The British North America Act the responsibility for schools was delegated to the provinces, and they in turn, the provinces delegated to local school boards the responsibility in respect to schools: now, there is a wide opinion and thought over a long term of years that the authorities in delegating the responsibility to local boards, the provincial authorities have not given them an adequate source of tax revenue. That is something that I am interested in as a member of this Commission, and particularly is it referred to in our reference.

A Well, sir, it will be very difficult to obtain comparative figures because of the very fact you have indicated, which is that the Separate schools in the various provinces are, have entirely different organizations and different sources of revenue, and in so far as Alberta is concerned, we will draw our attention to that problem, and include it in our further submission and try to have some, try to find some answer.

Q One other question, in respect to pupils there, as I understand it, a considerable number of pupils come from rural areas and stay at religious institutions operated by the Roman Catholic Church in the urban

Q (Cont.)

centres; you don't treat them when they attend schools, in your schools in the City, as non-resident, do you, they are not in that total figure of 60, surely?

A No, sir, as a matter of fact, they do not attend our schools; those are private schools operated by the religious institutions.

Q Thank you very much.

A Who receive no grant and carry on by themselves.

THE CHAIRMAN: Mr. McKenzie?

MR. McKENZIE EXAMINES THE WITNESS:

Q I just want to refer to the terms of reference of the Commission for a moment, Mr. Dechene, and one of the things the Commission is required to do is to recommend a form of local government which will most adequately and equitably provide for the orderly development of school and municipal services; and in the second paragraph of the terms of reference it goes on to say, to recommend in the interests of ratepayers and citizens generally with respect to the administration and financing of school and municipal matters, and the form of government recommended for the areas under review: now, from the City's submission, they indicated that there were two possible forms of government, one, a sort of a federal form where there would be one authority which would deal with certain matters over a large

Q (Cont.)

metropolitan area, leaving local self-government to deal with problems within their own existing boundaries. Now, I gathered from the submissions from both the Edmonton Public School Board and the Separate School Board that if the first alternative of extending the City's boundaries so that there is one urban municipality covering the whole, that the two School Boards would be prepared to go in and meet the difficulties that might be encountered. In the event that the other possibility is considered, would you feel that school and educational problems are a function of the regional authority or the local municipal authority?

A I think, sir, that we would definitely be or express the opinion that the school problem should be one of local authority in that the local authority should possess its complete autonomy.

Q And then, going to the other question that I asked Mr. Sheppard, namely relating to the county system; as the Commission is required to recommend the form of local government which is not necessarily, need not necessarily be the same as either the existing county system or the existing City administration, perhaps some combination of the two could be considered: what would the views of the Edmonton Separate School Board be as to the most desirable method of handling that?

A Well, I feel some difficulty in expressing views

A (Cont.)

on changes that are hypothetical and rather vague; and I feel that our Board would be quite willing to study objectively any proposal of that nature, subject only to the statement that I made previously that we do feel quite strongly that the local school board should maintain, at least the same measure of autonomy as it now possesses.

THE CHAIRMAN: Are you referring, Mr. Dechene, especially to the requisitioning autonomy?

A Yes, sir.

Q MR. McKENZIE: Well, I take it then that you would not be in favor of a system somewhat similar to the county system because under that you would lose your power of requisitioning, you would simply present a budget to the general governing body administering the area?

A I think that's true, sir.

Q The Commission is looking for advice and suggestions as to how this problem should be met, and neither brief has dealt at all with possibilities of other forms of government other than the one that is now before us. There is a constitutional problem in connection with the form of government, particularly as regards to Separate Schools, which just occurred to me, and perhaps when this Commission meets here again on November 22nd, it might be advisable if you have any definite views or your Board has any definite views, I think the Commission would like to have the

Q (Cont.)

advantage of those.

A Thank you very much, sir, we will endeavour to make those known to the Commission.

MR. HAYES EXAMINES THE WITNESS:

Q Now, Mr. Dechene, it would appear that from the City's standpoint they are apprehensive of taxes going up, in other words there is a proviso and the public schools the same, and the separate schools are a little apprehensive, I think, too. You say the Board will be obligated to oppose a reorganization provided that there is not additional revenue which will be adequate to meet these new costs. Now, who is going to determine whether there is going to be adequate revenue?

A Well, sir, we had hoped that this Commission in the course of its hearing would receive evidence on that and would be able to make some kind of recommendation based on that information, that is about all I can say.

Q Now, let me put it another way, do you feel that if everything went into the pot, there would be sufficient if properly distributed to take care of it?

A Subject to certain problems of reorganization which are bound to take place and cost money, I would think, sir, that, yes.

Q I wonder if that holds true for the Public School Board?

MR. SHEPPARD: Mr. Chairman, I just have to express an opinion there because I know that, or rather I am of the opinion that the revenue that must come from the taxes of the refineries and the industries east would just about balance the shortage of industries in the Jasper Place and Beverly areas and I think it would just about break even, which is a guess.

Q MR. HAYES: That is your position too?

A That expresses my opinion also.

MR. ROBISON: In other words, it won't make much difference, I am just going to say it wouldn't seem to make much difference.

THE CHAIRMAN: Dr. Jonason?

DR. JONASON EXAMINES THE WITNESS:

Q I would like to ask Mr. Dechene this question: much has been made of the additional burden that has been imposed upon the City of Edmonton by reason of the families from the industrial area being in large measure resident in the City of Edmonton; do I understand that you intend to make a survey of your system to determine accurately how many children have come to your schools in recent years from the workers of, workers in the industrial plants east of the City, it would be impossible to do that, would it?

A It probably would not be impossible, Mr. Chairman, but I don't think we had envisaged an inquiry as extensive as Dr. Jonason suggests.

Q Well, could I submit this, that it would merely mean making, having your teachers inquire from the pupils

Q (Cont.)

as to the occupation of their parents and from that you could determine the number involved; and, moreover, are you of the opinion that the workers from the industrial plants are underpaid, that is in relation to the average resident of Edmonton, do you think the income of the industrial worker would be less than that of the average resident in Edmonton?

A No, I don't see any reason why that would be so.

Q Many of the employees are higher paid executives and I suppose they would live in residences that would pay a fairly substantial tax to the City, would that be the case?

A Quite possibly, sir.

MR. HAYES: Mr. Dechene, do you feel that an outside pupil, even though he may cost a little more to the School Board, that he is an asset to the, say, to Edmonton?

A No, sir, we have looked upon this more as a, perhaps a charitable affair where we admit only pupils who fill this first condition, that we have ample room for them, we don't allow our rooms to be overcrowded for outside pupils; and, secondly, we try to avoid as much as possible and where there are facilities as much as possible where these pupils come from, we discourage them from coming.

THE CHAIRMAN: I think that word "charitable" was badly chosen, it is a matter of public relations.

A I was at a loss for a word there, sir.

THE CHAIRMAN: Yes. In the absence of any further cross-examination, Mr. Dechene, you are excused.

MR. McGRUTHER: There is just one thing, sir, before you leave, I have copies of the financial reports of the Separate School Board for '51 and '52 and '53, just one copy each, that will have to be entered as Exhibit number 43E.

THE CHAIRMAN: Thank you.

MR. McGRUTHER: Could we have some more copies, Mr. Dechene?

A Yes, sir.

THE CHAIRMAN: That is 43E and these are the financial reports of the Edmonton Separate School Board for the years '51, '52 and '53, and Mr. Dechene has promised us additional copies, and the Secretary says he has only been furnished with two thus far.

MR. McGRUTHER: One of each, I got them from the City officers.

THE CHAIRMAN: You agree with this, I hope, Mr. Dechene?

A Yes, sir.

FINANCIAL REPORTS OF THE EDMONTON SEPARATE SCHOOL BOARD FOR THE YEARS 1951, 1952 and 1953 MARKED EXHIBIT 43E TO THESE PROCEEDINGS.

(THE WITNESS STEPS DOWN).

THE CHAIRMAN: Now, I move to ask the Superintendent, no, the trustee for the Beverly schools if it is reasonably possible for him to be here at two o'clock on Monday because other than the presentation, the

THE CHAIRMAN: (Cont.)

mere reading of your statement, I don't think we would have time for anything more this afternoon. What do you say to that, Mr. Scott?

MR. SCOTT: I will try to hold up business enough that I can be here on Monday afternoon, it is a bit awkward for me to do, but I will do the best I can. I will be here.

THE CHAIRMAN: Well, would you not prefer to do that rather than simply do the reading this afternoon and then come for cross-examination at that time on Monday?

MR. SCOTT: No, I would rather do it all at that time.

THE CHAIRMAN: Yes, at the same time, and the Commission would prefer to do it as one block of material rather than to have it divided like that, and that has no reference to Mr. Moffat who will be on the stand the rest of the week.

The Commission now adjourns to reassemble at ten in the morning of Monday next. Thank you very much.